

1 CLEARBROOK - MARCH 4, 2014 - 6:00 P.M.

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3 INFORMATION AND SCOPING MEETING FOR THE  
4 MINNESOTA PUBLIC UTILITIES COMMISSION  
5 AND  
6 MINNESOTA DEPARTMENT OF COMMERCE  
7  
8

9 In the Matter of the Application of North Dakota  
10 Pipeline Company, LLC for a Pipeline  
Routing Permit for the Sandpiper Pipeline Project

11 MPUC DOCKET NO. PL-6668/PPL-13-474  
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16 Clearbrook City Hall Gymnasium  
17 200 Elm Street  
18 Clearbrook, Minnesota  
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1 MR. MICHAEL KALUZNIAK: Good evening  
2 everybody, thank you for coming out this evening.

3 My name is Michael Kaluzniak, I'm an  
4 employee of the Minnesota Public Utilities  
5 Commission. On behalf of the PUC, we'd like to  
6 extend our thanks for coming out this evening.

7 Just brief information on the format  
8 tonight. We'll have presentations by ourselves  
9 briefly describing the Commission's activities. The  
10 Department of Commerce will discuss what they're  
11 here for in terms of developing the environmental  
12 review materials. The applicants will also be here  
13 to discuss the project. We've all got PowerPoints  
14 that are available to you, so I will try to be as  
15 brief as I can with this. This is a lengthy  
16 document here. Down, all right. There we go.

17 Again, introductions. We're here for a  
18 pipeline route permit proceeding. In order to  
19 construct a route permit, the two approvals that the  
20 Public Utilities Commission must award the  
21 applicant, the first is a certificate of need  
22 proceeding, that speaks to whether the project  
23 itself is needed, whether there are better  
24 alternatives to supply those energies, the size,  
25 type, and timing questions, as well as whether the

1 project should proceed as proposed or considered in  
2 that. And that's a separate proceeding from this  
3 one.

4 Tonight's proceeding is the route permit  
5 proceeding. That primarily addresses where the  
6 project would go, where the pipeline would be  
7 located. So we'd be looking for alternative  
8 proposals of locations. If there's a particular  
9 area that the pipeline as proposed should avoid, if  
10 you have a better idea where it should be, they  
11 would like to hear this.

12 The permit conditions are also part of  
13 the proceeding as well, so if there's a particular  
14 setback from wetlands, there's particular depth of  
15 burying the pipeline, and all those specifications,  
16 all of those items are attached to the permit that  
17 the Commission awards to the applicant and those are  
18 on the table here.

19 This meeting itself is largely conducted  
20 by the Department of Commerce. Mr. Larry Hartman is  
21 here on behalf of the Department of Commerce. The  
22 Department of Commerce helps the Commission in its  
23 decision in several ways.

24 Larry's group is developing the  
25 environmental report on the route permit or the

1 route as it's proposed and the alternatives and they  
2 will provide a comparative analysis in the form of  
3 an environmental review document for the Commission  
4 to make its decision.

5 The project as proposed is by the North  
6 Dakota Pipeline Company, LLC. The environmental  
7 analysis, as mentioned, is the Department of  
8 Commerce. Again, we're here to answer your  
9 questions, we're here to accept information. If you  
10 have comments we would like to hear them. If you  
11 have things we should know about, we'd appreciate  
12 that as well.

13 The Public Utilities Commission itself is  
14 a five-member board. I'm an employee, one of the 50  
15 people that work there. The Commissioners are  
16 appointed by the governor, they're chosen on a  
17 nonpartisan basis. They have rotating terms so they  
18 don't come and go every time a governor does. Their  
19 job is quasi-judicial, as we describe it, so they  
20 act as judges. We're impartial, we do not take a  
21 position with regard to these applications. We  
22 examine the record that's developed, including  
23 materials that we're developing here tonight, in  
24 making its decision. So we look to the laws, the  
25 statutes, the rules, the environmental documents

1           that are developed, and the testimony developed by  
2           the parties to the proceeding. And all of that  
3           information goes into the Commission's decision.

4                       We have lots of help, as I mentioned. In  
5           addition to the Department of Commerce we have  
6           another unit that does econometric analysis on the  
7           needs, comparing the relative need in terms of the  
8           economic impacts to vet out some of the information  
9           that's part of the proposal itself.

10                      We also have assistance from the Office  
11           of the Attorney General. I don't know if that's  
12           coming up here next. I think I ran through these  
13           previously. And, of course, there's copies here if  
14           you have any questions, I won't spend too much time  
15           on it.

16                      There are two staff people that are  
17           primarily working on the project. Tracy Smetana is  
18           the public advisor who is here to help, or would be  
19           here if I wasn't taking her place, actually, who  
20           helps the public participate in the docket in  
21           developing the record. There's also an energy  
22           facility planner, that's the function that I do.  
23           This isn't my docket so I'm just kind of filling in  
24           for staff who is unavailable, who helps develop the  
25           record, interprets the record to the Commissioners.



1 We brief the Commissioners on the matter, we answer  
2 questions with public hearings and all these other  
3 pieces, so we have many different functions in this  
4 as well.

5 The facility, if you will, the project as  
6 proposed, constitutes what is known as a large  
7 energy facility. There are statutes and rules that  
8 I won't bore you with that define what those are.  
9 You can see in the body here, Minnesota Statutes  
10 Chapter 216B, Minnesota Rules Chapter -- excuse me,  
11 Part 7853 are the operative laws in Minnesota that  
12 regulate the certificate of need for the pipeline.

13 Now, under the routing proceeding, which  
14 is a separate one, we have different statutes and  
15 rules. The statutes are 216G and the rules are Part  
16 7852. In case you're wondering what the difference  
17 between the statutes and rules are -- many people  
18 don't know this -- a statute is enacted by the  
19 legislature, signed by the governor. Minnesota  
20 rules are often developed by agencies, they rely on  
21 the expertise of agencies to develop rules to  
22 administer the laws that are developed from the  
23 legislature and passed during legislation. They  
24 tell us to pass rules that regulate a certain thing.  
25 When we do that, we go through a number of processes

1 before they become rules. Part of which is we vet  
2 it with our Commissioners and they decide whether  
3 it's appropriate or not as written. And then from  
4 there it is brought before an administrative law  
5 judge.

6 We develop something called a Statement  
7 of Need and Reasonableness, a SONAR, which describes  
8 how each of our parts are both needed and  
9 reasonable. Under the statute, we actually have to  
10 have need and reasonableness for regulatory things.

11 So with regard to this decision for the  
12 routing proceeding, these are some of the things  
13 that are included within the environmental review  
14 documents. I believe it's an EIS in this case, an  
15 environmental impact statement. These are the kind  
16 of things that you would want identified. If you  
17 have a project or an alternative that should be  
18 considered by the Commission, you might consider  
19 running down this list and identifying some of these  
20 things. And if there are archaeological, historical  
21 areas that should not be disturbed, we definitely  
22 want to know about those.

23 This is the certificate of need process  
24 for pipelines. This is not -- this proceeding is a  
25 separate docket. Oftentimes we will run these

1       proceedings jointly. I'm not sure if they  
2       contemplate bringing these together at some point.  
3       I believe they are. It's a separate process. In  
4       several ways it doesn't speak to routing impacts  
5       directly, it speaks more to the econometric  
6       analysis, how best to meet energy needs.

7               If, for example, it would be more  
8       appropriate to transport it by rail, ship by truck,  
9       work on renewable energy sources, conservation and  
10      those sort of things, those are the things we would  
11      look at in the certificate of need. Also, we  
12      typically determine within that proceeding the size,  
13      type, and timing. So is this a better size pipe, et  
14      cetera. Are there better facilities to meet the  
15      need, we would look at those as well. So size,  
16      type, and timing is generally what we're looking at.

17             Here is the routing proceeding, this is  
18      where we are. This is the first of the public  
19      information meetings on the process, it's also known  
20      as scoping. So that if there's an item, an  
21      alternative that should be on the table, a different  
22      route location, this is a really good time to put it  
23      in the process. It's better to do it earlier rather  
24      than later, it's much less challenging if you start  
25      from the beginning.

1                   The Department of Commerce, as I  
2                   mentioned, will be doing an environmental analysis  
3                   on the project and developing alternatives routes.  
4                   We will come back for a public hearing, we'll be  
5                   back up here for a whole other series of hearings  
6                   again, this time with an administrative law judge  
7                   who will adjudicate these proceedings. We will also  
8                   have a court reporter. By the way, I apologize,  
9                   Janet, for speaking so quickly. Janet Shaddix is  
10                  here, she's kind enough to take notes for us here  
11                  tonight.

12                 Once those public hearings are conducted  
13                 there will be reports, summaries, evidence,  
14                 testimony, just like in a court, developed and  
15                 submitted to the Commission for its decision. We,  
16                 again, will have an administrative law judge conduct  
17                 evidentiary hearings, kind of an administrative  
18                 trial, not really a trial, per se, although  
19                 sometimes it feels like it. And during that trial  
20                 we examine the contents of the record. So that's  
21                 what we're looking at.

22                 Once that's done, then parties weigh in  
23                 again. All that information is provided and the  
24                 parties -- when I speak of parties, the applicants,  
25                 interest groups, companies that would have a shadow

1        proposal that would say deliver the energy another  
2        way, they would be considered parties and there's a  
3        process to achieve party status which is a little  
4        different. But we try to afford the public an  
5        opportunity to participate. The anticipated time  
6        for a decision is approximately 12 to 15 months.

7                This is an estimated project timeline.  
8        You can see it looks like we're here at the  
9        beginning of the process, but there's a lot of  
10       pieces that have gone on prior to this time. A lot  
11       of discussion, a lot of development of the record, a  
12       lot of planning that has gone on to get to this  
13       point.

14               Most importantly to note tonight for the  
15       take-away is the deadline to provide alternatives  
16       and comments for inclusion within the environmental  
17       document is April 4. So that leaves you  
18       approximately four weeks to develop those sorts of  
19       things. It's theoretically possible to do that  
20       afterwards, but the Department makes up the  
21       environmental document based on the materials that  
22       were submitted during this comment period so it's  
23       very important you're aware of that.

24               The applicants will develop a comparative  
25       environmental analysis as well, and public staff on

1 the route proceeding. And that will be developed  
2 and available and those are some of the things that  
3 are analyzed here as part of the review. The public  
4 hearings are anticipated to be in October, the  
5 evidentiary will be probably later October, probably  
6 in St. Paul. We may have additional hearings here,  
7 I'm not sure, it will be incumbent on the  
8 administrative law judge to make all those  
9 decisions.

10 The administrative law judge will be  
11 summarizing the record to date, declaring facts,  
12 findings of fact, making recommendations, and will  
13 submit those to the Commission for its decision. At  
14 that point the parties and public participants can  
15 weigh in. Parties and participants, the  
16 administrative law judge's report, once that is  
17 issued it's no longer a public record. The public  
18 record closes, essentially, at that point.

19 The Commission, in some circumstances,  
20 has been willing to entertain public comment beyond  
21 that point, but we are required by law to develop  
22 the proceedings in an orderly and transparent  
23 manner, meaning that we would presumably start with  
24 the universe of possibilities, narrow those down in  
25 a very orderly way. In order to do so we have to

1 develop guidance on timelines and these sort of  
2 things.

3 And the environmental -- are we not doing  
4 an EIS on this, Larry?

5 MR. LARRY HARTMAN: No, it's a  
6 comparative environmental analysis.

7 MR. MICHAEL KALUZNIAK: Oh, I apologize,  
8 there will not be an environmental impact statement,  
9 there will be a comparative environmental analysis  
10 comparing various attributes of the things that are  
11 within the scope.

12 This is a sample notice of the comment  
13 period. We do a lot of these. If you sign up for  
14 our mailing list that's included back there, you  
15 will receive these notices. We can deliver them by  
16 e-mail. Oftentimes there's hundreds of documents  
17 that come in on each one of these cases. This is  
18 very typical. It's describing what we're asking for  
19 comments about, the topics that are available, the  
20 filing comment period with our docket numbers here  
21 today and those sort of things.

22 Again, there's a certificate of need and  
23 a route permit that are separate proceedings. So  
24 it's important that you speak to the appropriate  
25 docket. If you want to speak to certificate of

1           need, please use docket 13-473. If you wish to  
2           speak to the pipeline route proceeding, where it  
3           goes, permit conditions, that is the pipeline route  
4           proceeding, which is 13-474.

5                     And, again, the comment period, the  
6           comment period for comments for alternative routes  
7           and route segments are due on April 4th. And if you  
8           have questions, we have ways for you to contact us  
9           and get in touch.

10                    There's several slides that answer this  
11           question of how to get information. I'll summarize  
12           that briefly. Again, we have green cards there if  
13           you care to speak, to sign up to speak. You don't  
14           have to, we'll probably have time to allow people to  
15           raise their hands. Larry will pretty much be  
16           running the show after I've finished. He will be  
17           answering your questions you might have on the  
18           project and how they will conduct their reviews of  
19           the comparative environmental analysis.

20                    You can go to the website here and sign  
21           up. There's a little search box here that's not  
22           very friendly, but works, with the docket number and  
23           the year and a number for the number of dockets.  
24           This was the 474th docket that we received this  
25           year, there are probably a little over 1,000 now.



1       You'll see a long list of items come up. Hundreds  
2       of documents. Every time somebody changes a name on  
3       a mailing list, they file something there, so  
4       there's lots of materials. So if you have questions  
5       and can't find something, feel free to contact  
6       Tracy, she's the staff member who is assigned to  
7       help you find those things.

8               There's a mailing list. The orange cards  
9       that are up there will get you on the mailing list.  
10      If you sign your name with a signature we can e-mail  
11      them to you. We prefer to send out e-mails, but we  
12      can certainly accommodate any format if you have a  
13      preference, or a disability, we're here to help.

14             More information. You can subscribe to a  
15      docket directly. You can go to the website and  
16      learn how to subscribe to a docket and you can see  
17      several of those going forward. It may result in a  
18      large number of e-mails, hundreds of e-mails a day.

19             And this is what it looks like as you're  
20      subscribing. The instructions, you have to create  
21      an account, enter your e-mail address, enter the  
22      docket number. As you can see, this is 13-474, is  
23      the routing proceeding, 473 is the CN proceeding.

24             Again, the public advisor, Tracy's  
25      information is here. Please call her, she is happy

1 to help you participate. My unit is the Energy  
2 Facilities Planning unit, Scott Ek is the project  
3 lead on this project for the certificate of need,  
4 and Tricia is the routing lead on this project as  
5 well? At any rate, Scott is your point of contact  
6 on working on that, he is happy to help you as well,  
7 and I'm not sure what he was doing tonight.

8 And that's it. Enbridge will speak to  
9 their project, and then Larry will take over and  
10 answer any of your questions. Does anybody have any  
11 questions?

12 Thank you very much.

13 MR. BARRY SIMONSON: Can everyone hear  
14 me? Okay. Good evening. I'm one -- it looks like  
15 we have a larger crowd than the rest of the previous  
16 venues, hopefully we have some good discussion and  
17 question-and-answer session.

18 My name is Barry Simonson, I work for  
19 Enbridge Energy out of Superior, Wisconsin. I'm the  
20 manager of our main line, and with me tonight I have  
21 a panel of colleagues from Superior and various  
22 regions with Enbridge's systems that will answer  
23 your questions. If you'd like to do a quick  
24 introduction.

25 MR. ART HASKINS: Hi, I'm Art Haskins,

1 I'm the emergency response coordinator for the North  
2 Dakota region.

3 MR. MIKE BRADBURN: Hello, I'm Mike  
4 Bradburn, I'm with land services.

5 MR. GREG SCHELIN: Good evening. My name  
6 is Greg Schelin, I'm manager of facility execution  
7 for the Sandpiper project.

8 MS. SARA PLOETZ: I'm Sara Ploetz, I'm  
9 with the environment group.

10 MR. MARK CURWIN: I'm Mark Curwin, I'm  
11 the project manager and came out of Superior.

12 MR. JOHN PECHIN: Hello, my name is John  
13 Pechin, I'm the Bemidji area operations manager.

14 MR. JOHN GASELE: Hi, I'm John Gasele  
15 from the Fryberger Law Firm in Duluth, Minnesota.  
16 I'm not a member of the panel, I'm here to help the  
17 company with the application process.

18 MR. BARRY SIMONSON: Okay. Thanks.

19 So what is the Sandpiper project? We've  
20 been working on this for the past 12 to 16 months.  
21 And the Sandpiper project consists of approximately  
22 616 miles of crude oil pipeline that begins in  
23 western North Dakota, Tioga, Beaver Lodge area. It  
24 traverses easterly through North Dakota and on into  
25 Clearbrook where we are this evening. And from

1 Clearbrook it heads south down through Park Rapids  
2 and then east into finally the Superior terminal in  
3 Superior, Wisconsin.

4 More specifically, in terms of Minnesota,  
5 from the border, the Minnesota-North Dakota border  
6 to Clearbrook the diameter is going to be a 24-inch  
7 outer diameter, and from Clearbrook it will be a  
8 30-inch outer diameter pipeline to the  
9 Minnesota-Wisconsin border. So we've got 75 miles  
10 of 24-inch and 225 miles of approximately 30-inch  
11 within the state of Minnesota.

12 In terms of construction, we are looking  
13 at construction in late 2014, winter of 2015, and  
14 predominant construction in 2015, with an expected  
15 in-service date of Q1 of 2016.

16 In terms of routing, which we're here  
17 tonight to discuss. With most pipeline projects,  
18 utility projects, we try to collocate or route our  
19 pipeline next to existing, either existing owned  
20 facilities or other utilities that exist. And in  
21 terms of this project, we're looking at around 75  
22 percent of the route being collocated with the  
23 utilities, either other utilities or our own assets.

24 Now, one thing that's not on the slide  
25 that I want to talk about was what have we done up

1 to this point, what has Enbridge been doing in 2014.  
2 And what we've been doing is a lot of landowner  
3 outreach, in terms of knowledge of the project.  
4 We've had our contract right-of-way department  
5 talking with landowners, getting survey permissions.  
6 And we've had a very good success rate in terms of  
7 that, around 95 percent of survey acceptance. So  
8 between environment -- environmental surveys,  
9 cultural surveys, it's been an ongoing process to  
10 acquire all that data, as well as civil surveys.  
11 And in terms of that data, that goes into all of our  
12 constructability plans, our design, our engineering.  
13 And then also the preparation for environmental  
14 permits, regulatory permits such as the North Dakota  
15 PSC and the Minnesota PUC permitting process.  
16 That's what we've been doing this year, amongst  
17 other items for the project.

18 Now, specifically, in terms of routing  
19 within the state of Minnesota. As you can see, and  
20 I'll try to -- I guess I won't. The area here on  
21 the northwest corner is the border, Minnesota, North  
22 Dakota. There's an existing line 81 that's owned by  
23 North Dakota Pipeline Company that traverses from  
24 the North Dakota region into Clearbrook. That  
25 pipeline has been in service since 1962. And in

1 terms of routing, we're trying to collocate with  
2 that pipeline as best we can.

3 In Clearbrook, once we get to Clearbrook  
4 there will be a new Clearbrook terminal west of  
5 Clearbrook itself. And the route that we proposed  
6 is to follow the Minnesota Pipeline Company, or  
7 MinnCan route that goes south from Clearbrook, that  
8 blue line you can see all the way down to the Park  
9 Rapids area. From that point we're heading easterly  
10 following an existing DC power line that's owned by  
11 Minnesota Power. And then predominately following  
12 existing utilities and then going south on into  
13 Carlton County and then into the state of Wisconsin.

14 What benefits does the project have for  
15 Minnesota? And for just the project itself? What  
16 one main thing is this is North American crude oil,  
17 all this oil that's being proposed to flow through  
18 Sandpiper comes from North Dakota, from the Bakken  
19 crude area out in western North Dakota. And that  
20 crude is going to be utilized in North American  
21 refineries.

22 The other thing is construction jobs. In  
23 terms of, many here are probably familiar with other  
24 projects that have been conducted by Enbridge in the  
25 past. There will be a lot of contract staff working

1           on this one forward, into late 2014, 2015. So a lot  
2           of the local resources, whether it's jobs with  
3           employment here in the region, or with local usage  
4           of fuel, gas stations, accommodations, restaurants,  
5           et cetera. We expect that to be utilized quite  
6           heavily by our contractors. And also we anticipate  
7           about 50 percent of the employment will be local  
8           jobs coming out of the region in the areas where  
9           we're going to be building.

10                       And then lastly, in terms of taxes.  
11           There's a large tax revenue that Enbridge pays the  
12           state of Minnesota and various counties throughout  
13           and have been in the past. In fact, in 2011  
14           Enbridge paid about \$34 million in Minnesota  
15           property taxes. And what we expect to pay is around  
16           \$25 million annually in Minnesota property taxes for  
17           Sandpiper once it's in service.

18                       In terms of what we do and what we strive  
19           for. Safety is our number one priority. Our top  
20           priority is operating our system safely and  
21           effectively, with all the new technology that's  
22           being advanced and we're partaking with within the  
23           company and going forward. And also, in terms of  
24           landowners, we strive for fair and equitable  
25           treatment for all the landowners and stakeholders

1           alike.

2                       That was my presentation. And I thank  
3 everyone for attending tonight and hopefully we have  
4 a productive session. Thank you.

5                       MR. LARRY HARTMAN: Good evening. Is  
6 this on? Can you hear me back there?

7                       Good evening. My name is Larry Hartman,  
8 I'm with the Minnesota Department of Commerce, the  
9 Energy Environmental Review and Analysis staff.  
10 Tracy -- or, excuse me, Casey Nelson, Casey is in  
11 the back with her hand up kind of waving there. If  
12 you have any questions about our role or our  
13 responsibility, please feel free to contact Casey or  
14 myself at your convenience. I've got business cards  
15 back there, at least I did have, I don't know if  
16 there're still more out there, I can get more out.  
17 My name, address, telephone number, e-mail,  
18 et cetera is on there.

19                      This would be the third of seven meetings  
20 that the Department of Commerce and the Commission  
21 are holding. Basically we've received, I guess,  
22 scoping comments and talked about how the route  
23 permitting process works.

24                      Before I go a little bit further, I'd  
25 like to kind of go through a few ground rules in



1           this case. We have a court reporter here, her name  
2           is Janet, and Janet is sitting to my right and to  
3           your left. Janet is making a transcription of what  
4           is being said tonight. Those transcripts will be  
5           available and posted on the eDocket website.  
6           They'll also be posted on the website that we  
7           maintain, and I will get to that website later on.

8                       We're trying to make the same  
9           presentation at all of the meetings. The questions  
10          are obviously different at every meeting, so some of  
11          you may want to attend all of the meetings, some of  
12          you may say I'll go to this meeting and that's it.  
13          If you want to find out what's gone on at the other  
14          meetings I encourage you, when the transcripts are  
15          available and posted, that they'll be there and  
16          available for your review.

17                     I imagine there will be an index to them  
18          so you can do some sorting on them. Janet says yes.  
19          And also with regard to Janet, Janet needs a break  
20          at 7:30, just because her fingers get tired. And I  
21          would like to encourage you to speak tonight. If  
22          you do speak, for Janet's benefit and our benefit,  
23          please identify yourself by name, you might want to  
24          spell your name if it's tricky or complicated, and  
25          try to speak slowly and clearly so Janet can take

1 everything down. So, having said that, we'll  
2 continue to proceed here.

3 As I mentioned, we had a meeting in  
4 Crookston on Monday night, we had probably 60 to 80  
5 people there. A number of issues addressed, I would  
6 say soil compaction, impacts on ag land, crossing  
7 the Red River, Red Lake River, wild rice, a few  
8 other things. This afternoon some of the same  
9 issues were raised, also a few other issues.  
10 Headwaters in this city, and I imagine some of those  
11 people also will choose to talk about that again  
12 this evening.

13 Again, I would encourage you, Enbridge  
14 has filed their application with the Commission.  
15 It's posted on our website, it's also on the  
16 Commission's website, Enbridge also has the  
17 application posted on a website they maintain. On  
18 our website, and I'm saying the Department of  
19 Commerce Energy Facility -- or EERA website, we've  
20 broken the application down by section, we've  
21 provided the file size. We've done the same things  
22 if you look at the detailed maps back there, we have  
23 all of those maps on our website and they're broken  
24 down by county, by township, and by mileposts. And  
25 we have also provided file size for them. For some

1 of you who may be on dial-up networks yet, the file  
2 size can be rather large so we try to break them  
3 down and user-friendly.

4 I would encourage you, if you have not  
5 reviewed the application, to do so. The rules  
6 require that a lot of information be provided in the  
7 application. Just for example, there's a lot of  
8 background on the project, socioeconomics, land use,  
9 geology, soils, vegetation, groundwater, surface  
10 water, cultural resources. A number of other  
11 things, as well as mitigation plans. So there's a  
12 lot of that in the application.

13 The application is also available on CD  
14 at the local libraries. It's also been provided to  
15 the city clerks along the route, all the township  
16 clerks, and the county auditors. You shouldn't have  
17 to go more than six miles, assuming you live in a  
18 given township that's in the application. They also  
19 are available on CD from Enbridge also, and I  
20 believe the notice of how to contact them and obtain  
21 a copy of the CD also.

22 Next week we'll have a series of four  
23 meetings and those will be the last of the seven  
24 meetings. We're at the first round of public  
25 information and scoping meetings with this project.

1                   With regard to review of pipeline  
2           projects in Minnesota. Pipelines are reviewed a  
3           little bit differently than other energy facilities.  
4           The pipeline routing rules changed due to an  
5           incident back in 1985, which led to the governor's  
6           commission on pipeline safety, and reaffirming the  
7           responsibilities and strengthening the  
8           responsibilities of the Office of Pipeline Safety,  
9           it also led to the creation of the Gopher State One  
10          Call system for notification of underground  
11          locations, which applies to all underground  
12          facilities in Minnesota, as well as the program  
13          reviews for routing pipelines in Minnesota.

14                   Those rules were adopted by then the  
15          Minnesota Environmental Quality Board. In 2005 that  
16          regulatory function was transferred to the Minnesota  
17          Public Utilities Commission.

18                   Shortly after the rules were adopted,  
19          they were also approved by the EQB in an alternative  
20          form of environmental review. At energy facilities  
21          sometimes we have a dual process, one might be a  
22          permit process and a separate environmental review  
23          process. Those kind of fold into one seamless  
24          process for pipelines. And if you want more  
25          information about that I'll be glad to provide you

1           with that.

2                       So anyhow, the purpose of these meetings  
3           is, one, find out what your thoughts and concerns  
4           might be with respect to the proposed route. Also  
5           describe how you and members of the public may  
6           propose alternative routes and/or route segments,  
7           and it also provides you an opportunity to suggest  
8           issues or things that we should look at in greater  
9           detail in the environmental analysis. To that  
10          point, if you want to submit a proposed route or  
11          route segment, that has to be done by April 4th of  
12          this year. The same goes for comments.

13                      Once the routes have been identified, or  
14          once we've received a submittal by April 4th, we'll  
15          go through and start compiling all of those,  
16          indexing them, sorting them by county, by milepost,  
17          and I guess other ways that might present themselves  
18          once we know what they are.

19                      We then make, I guess, file a report with  
20          the Commission. The Public Utilities Commission  
21          would then authorize what routes go forward for  
22          consideration at the public hearings.

23                      So if you have an idea in your mind as to  
24          where the best place for the pipeline should be, you  
25          want to make that known to us by April 4th. Once

1 the Commission authorizes the routes and we get to  
2 public hearings we are just looking at the universe  
3 of routes identified by the Commission. And let's  
4 say we have the hearings and it's in December, the  
5 light bulb says it's too late, the opportunity for  
6 that is April 4th.

7 So I encourage you, if you have questions  
8 about how to propose a route, contact our office.  
9 We have a guidance document back there in the back.  
10 Excuse me. We have several handouts back there. If  
11 you didn't pick them up I encourage you to do so.  
12 I'll just go through them quickly.

13 One is just a schematic of the steps in  
14 the pipeline permitting process, that's available on  
15 our website also. We do want to pay attention to  
16 what's called a guidance for submitting a route and  
17 route segment proposals. We've outlined what's  
18 required on there. I provided my name, e-mail  
19 address, as well as Casey's. And the criteria that  
20 the Commission uses to evaluate routes is on the  
21 back side of that. So I encourage you, if you have  
22 an idea about the route or a route proposal to  
23 review that. If you go through the review and you  
24 still don't understand, you have questions, please  
25 give us a call and we'll try to help or to assist

1           you.

2                       We've asked for a variance on the route  
3       proposals, and by that, typically the way it works  
4       in the rules, once the application is accepted, and  
5       the Commission did that in an order dated  
6       February 1st, people normally have up to 70 days to  
7       propose routes. The time frame we've covered, we've  
8       asked for more time, so we asked for a variance that  
9       actually gives you a little bit more time. That  
10      means a couple weeks for the people who were at the  
11      first meeting, the others don't have the same amount  
12      of time for the people at the last meeting. So we  
13      tried to give everybody pretty much a minimum of  
14      three weeks or more to make their route proposals  
15      known to us or at least to submit them.

16                    Now, if you submit something, I encourage  
17      you not to wait until the last day if you submit  
18      something. And we -- excuse me -- I put it in my  
19      pocket. We ask that you submit a route proposal on  
20      a map so we can identify that. Now, by map, either  
21      a USGS map, a highway map, a plat book map, an  
22      aerial photo probably works best. And this is just  
23      an illustrative example. For example, this is an  
24      example of a transmission line route that is in the  
25      Carver and Scott County area. I don't know the

1 utility. They had proposed a route through the  
2 route proposal process. Somebody suggested this as  
3 an alternative and somebody suggested this as an  
4 alternative and provided supporting reasons as to  
5 why the Commission should consider that at the  
6 public hearings.

7 So if you submit something and it isn't  
8 quite measured up to what we're looking for, we'll  
9 send it back to you, and you've got another five to  
10 ten days to then get the information back. So when  
11 I say April 4th is the last day for submittal,  
12 however, if it doesn't measure up, then you'll have  
13 X number of days to provide the information that  
14 will be all be presented to the Commission for their  
15 consideration.

16 That covers, I guess, how to make a route  
17 proposal. I guess briefly I'll go into that a  
18 little bit more later on if there are questions  
19 about that.

20 Again, use the criteria as to why you  
21 think this is a better location for the pipeline.  
22 I'd encourage you to work -- it doesn't just affect  
23 yourself, I'd encourage you if you want to make a  
24 proposal that affects your neighbors that you work  
25 with your neighbors and maybe try to do it as a



1 group. It might be a little bit more effective.  
2 Now, some people might just be concerned about the  
3 pipeline on their land, that's fine. Please be  
4 aware of your neighbors and other groups, interest  
5 groups, might have a broader idea on the certificate  
6 of need, that's part of the certificate of need  
7 process also. You know, again, I encourage you to  
8 contact us if you do have questions about that.

9 If there are any specific impacts or  
10 issues you would like to see addressed, we have a  
11 blank piece of paper back there, and I don't have a  
12 copy of it up here with me. It's a comment sheet.  
13 Please put your comments on that. You don't have to  
14 use it. I just mention that because it's got lines  
15 on it and you can write on it, fold it, put scotch  
16 tape on it, my address is on it, and the postage is  
17 already paid.

18 Again, we'll look at those also. If we  
19 get comments, not route related, we'll put those  
20 into the bucket and go through and if there's  
21 something the Commission is saying here is an issue,  
22 put this in your comparative analysis.

23 This is just examples of issues. We're  
24 looking for ideas of water bodies, you might be  
25 concerned about soil separation, drain tile repair,

1        soil compacting, organic farms, finding irrigation  
2        systems, land use plans, residential, industrial,  
3        natural resources, rural water systems, roads.  
4        Water resources, streams, river crossings, wetlands,  
5        forestry, vegetation, wildlife.

6                Again, once the Commission constructs the  
7        route, it will probably take three or four months to  
8        do a comparative environmental analysis. That will  
9        be available at the public hearings. And, again,  
10       we'll be back with the administrative law judge for  
11       public hearings, and probably sometime this fall, as  
12       Mike has suggested, we'll also have evidentiary  
13       hearings.

14               The comparative environmental analysis is  
15       a written document. It describes human and  
16       environmental impacts of all the pipeline routes  
17       accepted for consideration at the public hearings  
18       and methods to mitigate those impacts.

19               Enbridge's application also describes in  
20       several different appendices measures to mitigate  
21       impacts also. They have their wetland and  
22       agricultural mitigation and protection plan. And in  
23       past permits we've had a number of other mitigation  
24       plans also. Again, that will be presided over by an  
25       ALJ.

1                   Also, besides the Commission's permits,  
2                   there are a number of other permits required. And  
3                   we can refer to those as downstream permits. And  
4                   those agencies will be participating in the process,  
5                   or they typically do. Obviously, the permits for  
6                   the certificate of need and the route are issued by  
7                   the Commission.

8                   The Minnesota Department of Natural  
9                   Resources is involved and they issue permits with  
10                  crossing public lands and waters. And it's my  
11                  understanding the DNR, if they issue a permit, will  
12                  issue two permits, one for public lands crossing,  
13                  the other for public waters crossings. DNR is also  
14                  involved in other areas regarding water  
15                  appropriations, state protected species, and  
16                  regarding impacts of sensitive features, other  
17                  sensitive features such as calcareous fens, and I  
18                  work fairly closely with DNR as well as the Corps of  
19                  Engineers on those things.

20                  The Minnesota Pollution Control Agency is  
21                  also another agency that will be involved with  
22                  review of this project. One, they'll have some  
23                  review for the terminal associated with the project.  
24                  Besides the terminal, PCA issues the general  
25                  construction stormwater permits, the industrial

1 stormwater permit response plan, the waste water  
2 permit, section 401 water quality certificate, and  
3 the emergency response in large aboveground storage  
4 tanks also.

5 Department of Agriculture is responsible  
6 for the agricultural mitigation plan. I put up the  
7 Minnesota Department of Health, there's a setback  
8 from water wells for petroleum pipelines. There's a  
9 guidebook for wells and also a handbook for  
10 landowners, too, and it's mentioned in there.

11 Minnesota Department of Transportation  
12 also issues permits for road crossing, state  
13 highways, the Minnesota highway system. Other state  
14 permits would be -- not permits, but once the  
15 pipeline is built the Minnesota Office of Pipeline  
16 Safety has responsibility also. And then the  
17 Minnesota Department of Public Safety, the Office of  
18 Pipeline Safety is also authorized as an interstate  
19 inspector, so they cover both liquid and natural gas  
20 pipelines, both intrastate and interstate. And they  
21 also do inspections on pipelines and also monitor  
22 pipeline construction for compliance with the  
23 federal regulations, which are administered through  
24 Code of Federal Regulations, Title 49, Parts 195 for  
25 liquid lines and Parts 193 also.

1                   Given the situation with developments,  
2                   just the issues of Bakken oil in general, people  
3                   obviously have a much greater interest in pipeline  
4                   safety now than what they've had when it was going  
5                   to be transported via a big pipe.

6                   If you go to our website, which is right  
7                   here, we don't have all the documents on our  
8                   website, we just have the documents produced by our  
9                   shop and some of the Commission documents also.  
10                  These transcripts will be available on our website.  
11                  We'll have a number of other things in there, it's a  
12                  little bit more user-friendly than eDockets. You  
13                  can also see submitted comments by going into our  
14                  website, and I think there's a thing that says click  
15                  here and make comments electronically. That way  
16                  it's all for the docket.

17                  Again, if you want to contact me or  
18                  Casey, my phone number is here, my cell phone number  
19                  is on my business card back there. You can contact  
20                  us either by U.S. mail, e-mail, fax, and we use a  
21                  website also. Something important now. Again, I  
22                  think we have the fax there, if you have a color map  
23                  and you draw a line on it that you send to me, I  
24                  have a problem with that because the faxes will come  
25                  through black and white and I won't be able to see

1           what you draw on the map. So if you're going to  
2           send me something electronically, it would be better  
3           than if you sent me something by fax because then  
4           I'd just have it in black and white. I don't want  
5           you to go through all that work and it's not color  
6           and we'd have to call you back and say I can't read  
7           it, so I'd have to contact you and make some  
8           arrangements for other arrangements to get that to  
9           me.

10                   I think that's my last slide.

11                   A few other things I'd like to mention.  
12           The Department of Ag will be at some of the meetings  
13           next week. Federal regulations require that a  
14           pipeline be buried to a nominal depth of 36 inches.  
15           Minnesota adopted -- had a statute on pipelines for  
16           a number of years now, in 1979 they added a  
17           requirement that requires pipelines in Minnesota  
18           that cross agricultural land to be buried to a  
19           nominal depth of 54 inches. That also applies to  
20           roads and ditches, all types of ditches.

21                   Now, counties, landowners can waive that  
22           requirement if it's so clearly stated on the back  
23           side of the easement agreement, which is primarily  
24           for the landowner. So that would take a separate  
25           action on your part to indicate that you're fine if

1           they bury it less than 54. If you have ditch plans,  
2           North Dakota Pipeline will certainly work with you  
3           on that. They'll get your plans and do something  
4           else comfortably below that to avoid interference  
5           problems in the future.

6                       There are a number of other little things  
7           that I probably could mention, but I covered most of  
8           the stuff, so I think at this juncture we'd like to  
9           turn it over to questions and answers.

10                      What I'd like to do is, there is some  
11           people who have been coming to all the meetings,  
12           which is fine. I'd like to hear from the people  
13           here first who haven't spoken at previous meetings.  
14           So, with that, I'd like to open it up to questions  
15           either of me or of Enbridge.

16                      MR. JOHN GASELE: Larry?

17                      MR. LARRY HARTMAN: Yes.

18                      MR. JOHN GASELE: As I mentioned earlier,  
19           my name is John Gasele, I'm an attorney from the  
20           Fryberger Law Firm in Duluth, Minnesota and I'm here  
21           to help the company in the application process.

22                      There's a lot of folks up here from North  
23           Dakota Pipeline Company who came out here because  
24           they're the experts in what they do. They're the  
25           people that are responsible for planning projects

1           and for seeing projects through completion should  
2           permits be granted.

3                       As both Mr. Kaluzniak and Mr. Hartman  
4           mentioned, this is really a scoping meeting, it's a  
5           fact-finding mission for us as much as it is for all  
6           of you. We're here to hear what you're concerned  
7           about, what you think should be included in the  
8           environmental review process in the docket. What  
9           we're not here to do tonight is to debate the merits  
10          of the project. We'd like to know what you're  
11          interested in knowing about, we'd like to tell you  
12          where information is that has already been  
13          developed, and we'd like to hear what you'd like to  
14          hear more about and then answer the questions we can  
15          about the Minnesota portion of the project.

16                      Thanks again for attending.

17                      MR. LARRY HARTMAN: Yes, sir.

18                      MR. DOUG RASCH: Hello.

19                      MR. LARRY HARTMAN: Would you come up to  
20          the microphone so everybody can hear you and Janet  
21          can hear you also?

22                      MR. DOUG RASCH: Hi. My name is Doug  
23          Rasch, R-A-S-C-H.

24                      And my question right now is just for  
25          Mr. Hartman. And it's about a comment you made



1 earlier about railroad safety. You seemed to imply  
2 it was less safe than the pipelines, and I'm  
3 wondering if that's your personal opinion or what  
4 basis you had for making that statement.

5 MR. LARRY HARTMAN: Well, I guess it's in  
6 part personal opinion, but the personal opinion is  
7 also based on data I typically review. I haven't  
8 seen current data, but obviously if you look at the  
9 incident in Quebec, North Dakota, some we've had  
10 here in Minnesota, railroad safety is certainly the  
11 concern of many, many people, as well it should be.  
12 And that's safety of any type, highway safety, rail  
13 safety, or pipeline safety.

14 MR. DOUG RASCH: Do you have that data  
15 available here?

16 MR. LARRY HARTMAN: No, I do not.

17 MR. DOUG RASCH: Well, thank you.

18 MR. LARRY HARTMAN: And that's just based  
19 on studies I've seen. Now, again, when I said that,  
20 I'm basically saying studies I've looked at, whether  
21 there are newer studies or not, I have not yet seen  
22 those.

23 MR. DOUG RASCH: So it is partially your  
24 opinion?

25 MR. LARRY HARTMAN: Partially opinion.

1 But I think there's a substantial amount of facts to  
2 also support that opinion.

3 Somebody else? Paul, I'll get to you in  
4 a minute. Did somebody else have their hand up over  
5 there? Paul.

6 MR. PAUL STOLEN: I have other comments  
7 that I signed up for, I just want to ask a quick  
8 question.

9 Does the administrative hearing officer  
10 or law judge answer every comment in his findings?

11 MR. LARRY HARTMAN: I can't speak on  
12 behalf of the ALJ. Different ALJs seem to have  
13 different approaches on how they do things. It's  
14 not in our purview to tell them how it should be  
15 done. They submit findings of fact to the  
16 Commission, and we just take what they have to say  
17 and work with that.

18 I've seen some ALJs provide more -- more  
19 lengthy findings sometimes, some might be a little  
20 bit more summary oriented. You know, again, they'll  
21 address the issues that are raised during the  
22 administrative hearings. And I guess I can't speak  
23 to a certain one to address everything. I'm sure  
24 the Commission does also.

25 Any other -- did you have your hand up?

1 MS. CHERYL GROVER: Well, I didn't, but I  
2 can always talk.

3 MR. LARRY HARTMAN: Okay.

4 MS. CHERYL GROVER: My name is Cheryl  
5 Grover, and Cheryl is with a C. I'm the county  
6 assessor here and I was very interested in your  
7 comments about if anyone in Clearwater County has a  
8 routing issue or they want to draw a different  
9 route. Our office is open and we can assist them  
10 with that and put it into a PDF that can be e-mailed  
11 to you.

12 MR. LARRY HARTMAN: That's fine.

13 MS. CHERYL GROVER: So I see behind me  
14 there's a lot of Clearwater County people here, so I  
15 just want to just offer that service from our  
16 office. And then I also want to comment on this  
17 young man's comment where he talks about the  
18 property taxes. 'Cause, of course, as a county  
19 assessor --

20 MR. LARRY HARTMAN: You like those taxes,  
21 huh?

22 MS. CHERYL GROVER: Yes. And the value  
23 that gets added, because the more property taxes  
24 this company pays, the less property taxes we pay.

25 So thank you.

1                   MR. LARRY HARTMAN: Thank you for your  
2 offer, and we certainly appreciate any assistance  
3 you can provide in helping the citizens of  
4 Clearwater County. I'll be glad to do that also,  
5 and if you have questions of me, certainly contact  
6 me at your convenience.

7                   Any other hands or questions? Yes, sir.

8                   MR. RON SOVICK: Do you want me to come  
9 up there?

10                  MR. LARRY HARTMAN: Please.

11                  MR. RON SOVICK: My name is Ron Sovick  
12 from Bagley. S-O-V-I-C-K. First name Ron. I've  
13 never heard the name North Dakota Pipeline before.  
14 Is North Dakota Pipeline another name for Enbridge,  
15 or does Enbridge own them?

16                  MR. JOHN GASELE: Yeah, North Dakota  
17 Pipeline Company is -- it was a company formerly  
18 known as Enbridge Pipelines North Dakota, there was  
19 a business name change related to the project  
20 starting, but it's the operator of all of the assets  
21 formerly known as --

22                  MR. RON SOVICK: Can we say it's the same  
23 company?

24                  MR. JOHN GASELE: It's a different name,  
25 the same company, and it's the same assets and it's

1           operating the same.

2                   MR. RON SOVICK: Not that it matters, but  
3           I hadn't heard the name before. Thank you.

4                   MR. LARRY HARTMAN: Thank you. Any other  
5           questions?

6                   Okay. I have four cards here of people  
7           who have indicated they want to speak. If you want  
8           to speak there are going to be other opportunities.  
9           If you want to raise your hand, that's fine. If you  
10          don't want to raise your hand and if you want to  
11          speak, just fill out a card, there are cards back  
12          there at the table, Casey will bring them up to me.  
13          If you want to ask a question and don't feel  
14          comfortable doing that, write it out on the card and  
15          Casey will give it to me and I or somebody on the  
16          Enbridge panel will answer your question.

17                   Any other hands for first-timers? Yes,  
18          sir.

19                   MR. TOM ANDERSON: Come up?

20                   MR. LARRY HARTMAN: Please. Remember,  
21          Janet's going to say spell your name.

22                   MR. TOM ANDERSON: Okay. My name is Tom  
23          Anderson, I'm an area farmer.

24                   And my question is primarily concerning  
25          are you going to have an ag inspector, or a number

1 of ag inspectors assigned to specific areas along  
2 the route to address major issues that would involve  
3 people like me as farmers?

4 The one main one that comes to mind is a  
5 lot of soybeans grow in this area and the soybean  
6 cyst nematode is spread almost entirely by soil.  
7 And we don't have it right in this immediate area,  
8 but there are some that have been found in areas  
9 west of here. And so I think it's highly important  
10 that this is policed and equipment is washed rather  
11 than being bounced around from farm to farm over  
12 large distances with a contributive spread of this.

13 And also maybe secondary, but very  
14 important also, would be maybe some weed control  
15 issues along the right-of-way also. Do you know if  
16 there are going to be specific ag inspectors  
17 assigned to this?

18 MR. LARRY HARTMAN: I'll answer your  
19 question as best I can. And I think there are about  
20 four things I want to cover and two of them are  
21 things that I mentioned earlier that I forgot. If  
22 the pipeline is permitted, we'll have agricultural  
23 monitors who report to Department of Agricultural  
24 for compliance with the Agricultural Protection  
25 Plan. There's also an inspector who reports to DNR.

1       Also in the agricultural mitigation plan, again,  
2       it's a draft at this stage. For example, in the  
3       past we crossed organic farms so we've had --  
4       basically for organic farms we've had equipment  
5       cleaned, decontaminated, before it does work in  
6       those farms so it does not carry anything in. I  
7       assume the same sort of thing can be done with  
8       soybeans.

9               Now, if you go back there and you look at  
10       the maps in the right- and left-hand corner, they'll  
11       say a spread number, like spread 5 in this area, I'm  
12       not exactly sure of the number. Now, contractors,  
13       they're going to have different spread crews or  
14       spreaders working the area, and that is being  
15       coordinated with those contractors.

16              Barry, is there anything you can add to  
17       that?

18              MS. SARA PLOETZ: Good evening. Again,  
19       my name is Sara Ploetz, and I just wanted to  
20       reiterate what Larry mentioned, is that we have  
21       developed a draft of an agricultural protection  
22       plan. It is filed with the Public Utilities  
23       Commission application and is available on the  
24       website. We've done that in conjunction with  
25       discussions with Bob Patton at the Department of

1           Agriculture. We also will have agricultural  
2           inspectors. We also have developed an environmental  
3           protection plan that does address noxious and  
4           invasive weeds.

5                     That's a great comment and definitely one  
6           of the things we want to hear from you to try to  
7           identify locations of known noxious or invasive  
8           weeds or other issues that may be causing concerns  
9           on your farm so that we can incorporate that into  
10          our construction line list in order to get that  
11          equipment cleaning station set up so we don't spread  
12          those.

13                    MR. LARRY HARTMAN: Does that answer your  
14          question, sir?

15                    MR. TOM ANDERSON: Yes, it does.

16                    MR. LARRY HARTMAN: Does somebody else  
17          here have a question? Yes, sir.

18                    MR. SASHA JOHNSON: Okay. Sasha Johnson,  
19          S-A-S-H-A.

20                    I just have a question more for curiosity  
21          sake about all this. I'm pretty ignorant, I just  
22          know enough to be dangerous, I'd say.

23                    But I'm wondering, like, everything  
24          that's going on in North Dakota that's big and seems  
25          to be growing, is this like one step of many, maybe



1 more pipelines on the way? Or is this kind of  
2 something that might meet the supply of oil that's  
3 coming through?

4 MR. LARRY HARTMAN: I'll try to answer  
5 your question. Given the potential of the Bakken,  
6 and I don't know what it is, there are other  
7 pipelines that carry oil out of Bakken. A lot of  
8 oil is carried by rail, some by truck. If the  
9 pipelines has what's called an open season where  
10 people want to ship oil to the contract shipper, the  
11 shippers will contact the people to carry the oil  
12 from point A to point B point someplace. If there's  
13 enough demand they might -- some people feel there  
14 is a need for another pipeline.

15 Now, for example, I had heard that  
16 another company proposed a pipeline. Well, again, I  
17 didn't hear much about it, it's kind of out there  
18 and whether, you know, it exists or not, and now I  
19 heard a little while ago there wasn't enough demand  
20 so they no longer have an interest. Now, that could  
21 change over time, I don't really know. It depends  
22 on where the demand for the oil is. There are other  
23 pipeline operators out there.

24 For example, a year or so ago we were  
25 contacted by another company called Sandpiper -- not

1 Sandpiper, that wanted to build a pipeline also.  
2 They came in, we met once, and never heard from them  
3 again. So, again, I don't -- I don't have a real  
4 application until the company delivers this one. So  
5 do we know in advance? I might know a few months in  
6 advance, beyond that I don't know. And, again,  
7 companies can probably better address that.

8 For electric utilities, they have  
9 long-range plans so you kind of know what the plans  
10 are for electric utilities. For pipelines, we don't  
11 know. That's a different type of market. The  
12 market works differently for pipelines, it's  
13 regulated a little bit differently. Electric  
14 utilities might come under the jurisdiction of MISO,  
15 which is the Midwest Independent System Operator.  
16 So if you're a plant or a utility like that, there's  
17 a distinct planning process for you in terms of  
18 system-wide upgrades. They either participate  
19 collectively or jointly. Pipeline companies operate  
20 a little bit differently and so they tend to be a  
21 little bit more independent in that sense.

22 But I can't speak for the interest nor  
23 would I endeavor to do so because I'd probably be  
24 wrong. So just based on what I know and that's  
25 limited, so take it for what it's worth. So, again,

1           whether there are other plans, I just really don't  
2           know.

3                       MR. SASHA JOHNSON:   Sure.   I appreciate  
4           it.

5                       MR. LARRY HARTMAN:   Thank you.

6                       MR. BARRY SIMONSON:   Let me --  
7           Mr. Johnson, I can speak to that.   More specifically  
8           for Sandpiper, I didn't talk about this earlier with  
9           regard to the flow.   So right now the flow of crude  
10          oil that's planned from Beaver Lodge to Clearbrook  
11          is around 225,000 barrels a day, and then for the  
12          30-inch pipeline up to Superior, that's about  
13          75,000.   But with that, when we do our proper  
14          planning, we plan for the potential for future  
15          expansion on that pipeline.

16                      So with that being said, the flow that  
17          would be -- that's predicted based on a shipper  
18          commitment, because we transport from point A to  
19          point B based on shippers and producers.   Well, if  
20          there was more of a demand over the North Dakota  
21          region that would want to subscribe to volumes on  
22          Sandpiper and we needed to upgrade the flow, we can  
23          do that by installing pump stations which would then  
24          increase the flow.   I think on the 24-inch to around  
25          400,000 barrels a day, that would almost double the

1 capacity, as well as on the 30-inch it would be  
2 twofold, almost threefold.

3 And does that answer your question? If  
4 that were the case, there would not be another  
5 pipeline on the Enbridge system that would be needed  
6 for that flow at this point in time.

7 MR. SASHA JOHNSON: Sure. I suppose  
8 you're making the other lines have room for  
9 expansion, perhaps.

10 MR. BARRY SIMONSON: This will be the  
11 only -- there are no other pipelines that take oil  
12 out of the Bakken region, that's why I see the  
13 prolific rail transporting as a solution to that as  
14 another transportation mode.

15 MR. SASHA JOHNSON: Yeah, most of it  
16 comes from Canada.

17 MR. BARRY SIMONSON: Out of the Bakken  
18 region, no.

19 MR. SASHA JOHNSON: Yeah, sorry, other  
20 lines.

21 MR. BARRY SIMONSON: Did that answer your  
22 question?

23 MR. SASHA JOHNSON: Yeah, I think so.  
24 Thanks very much.

25 MR. BARRY SIMONSON: You're welcome.

1 MR. LARRY HARTMAN: Any other hands?

2 Yes, sir.

3 MR. DARREL NELSON: My name is Darrel  
4 Nelson.

5 Who sets the land value for going across  
6 my land? I've worked with a right-of-way agent, he  
7 talked for 15 minutes and then he said, well, we  
8 base your land value on so much an acre. Well, who  
9 is setting that? I thought it was low, myself. I  
10 mean, what recourse do we have as landowners to -- I  
11 mean, it's our land, you know.

12 MR. LARRY HARTMAN: I realize and  
13 understand that, sir. The Commission is not  
14 involved in the transactions between you, a  
15 landowner, and the company. The company would be in  
16 consultation with you and I'm probably better off to  
17 let them describe how they determine that. The  
18 state is not involved with what the value of your  
19 land is, except for tax purposes, obviously. And  
20 then it's probably too high; in terms of them paying  
21 you, it's probably not enough. So I imagine there's  
22 someplace in between, but I'm going to let them try  
23 to respond to your question.

24 MR. MIKE BRADBURN: I can explain a  
25 little bit. I'm Mike Bradburn, I'm the land service

1 supervisor.

2 Darrel, what we do is we had a company  
3 come in and do comps for each county, comparables,  
4 on comparable land sites on each track. And when we  
5 split that up and went the upper end of the scale on  
6 each one. And depending on the size parcel you  
7 have, we were paying fair market value for your  
8 property plus 25 percent on the easement. On the  
9 temporary work space, an additional temporary work  
10 space, we're paying 50 percent of fair value to rent  
11 that property from you.

12 MR. DARREL NELSON: So there's no way  
13 that we can -- okay.

14 MR. MIKE BRADBURN: We can talk about it.

15 MR. DARREL NELSON: Negotiate, is what  
16 you're saying?

17 MR. MIKE BRADBURN: Anything you want to  
18 share with us? Do you have information you'd like  
19 to share with us? Do you have comparables of some  
20 other property sold for more in the area?

21 MR. DARREL NELSON: Well, no.

22 MR. MIKE BRADBURN: We're willing to look  
23 at what you have. If you've got something, we're  
24 willing to work with you.

25 MR. DARREL NELSON: They say so much, I

1           figure so much an acre. But like the gentleman  
2           says, you figure low, I figure high, and we got to  
3           meet in the middle somewheres.

4                       MR. MIKE BRADBURN: Well, we want to be  
5           as fair with you as we can.

6                       MR. LARRY HARTMAN: Any other questions,  
7           or hands up in the air? If not, I'll work the  
8           cards. That doesn't preclude you from raising your  
9           hand later on.

10                      The first one I have is Paul Stolen.

11                      MR. PAUL STOLEN: I'll use this mic here.  
12           My name is Paul Stolen, as in stolen car.

13                      I'm a retired DNR employee. I have a lot  
14           of experience with pipelines, starting when I was 19  
15           as a laborer on a pipeline, a gas pipeline project.  
16           And I've been doing regulatory things for probably  
17           about at least 10, maybe 12 pipelines in Montana and  
18           in Minnesota with the DNR. And I was assistant  
19           director of the pipeline task force in Montana for  
20           three pipelines.

21                      And my comments have to do with -- and I  
22           will be submitting written comments later. I wanted  
23           to hit a couple of high points tonight.

24                      There was a question about ag land. One  
25           of the things that happens with winter construction

1 on ag land, especially nonflat terrain, is on the  
2 Minn -- I worked on the MinnCan project and the  
3 Alberta Clipper as well. MinnCan had a lot of  
4 problems with topsoil separation on frozen ground  
5 because you can't separate very easily at all. And  
6 so that's something that landowners should pay  
7 attention to. I just thought of that at this point.

8 One of the things, I asked Larry about  
9 the administrative law judge. The administrative  
10 law judge on Alberta Clipper was the same one as  
11 assigned to this one, Eric Lipman. The DNR  
12 submitted a 22-page comment to him on many, many  
13 environmental issues having to do with natural  
14 resources, and it was submitted out of St. Paul  
15 after review by many people. This administrative  
16 law judge, all he said about those 22 pages was the  
17 DNR commented. I thought that was one of the most  
18 shameful acts in pipeline regulation that I've ever  
19 seen. And now you have the same law judge on this  
20 project and the same company.

21 The MinnCan route, I worked on the  
22 MinnCan pipeline when that was built. I was a  
23 regulator on that one, I was very closely involved  
24 in it. There was many, many drilling mud frac-outs  
25 on that project. A frac-out is when the drilling



1        mud, when you have a directional drill under a river  
2        or whatever, a road, you use a lot of drilling mud  
3        and it squirts out to the surface. There was a --  
4        on this pipeline it's going to be a 30-inch, which  
5        means higher pressure for drilling mud. There was  
6        very sensitive areas, there was frac-outs on the  
7        Mississippi River, the Clearwater River by Bagley,  
8        the floodplain, that is, the Straight River, a trout  
9        stream, the LaSalle Creek, a trout stream, and a  
10       bunch of other ones farther south. These were very  
11       large, in some cases very large cubic yards of  
12       drilling mud. In this case the company really tried  
13       to hide what was in that drilling mud. And so the  
14       content of drilling mud is very important. Some of  
15       it is toxic to fish and wildlife.

16                Then I guess I would -- let's see. I  
17       don't think I'm going to have many more comments. I  
18       would just mention that on the Alberta Clipper  
19       project, of all the pipelines I've ever worked on --  
20       and I'm not at all against pipelines, I've worked  
21       on -- most of the people I worked for are very good  
22       at restoration. Of all the pipelines I've worked  
23       for, on the Alberta Clipper project Enbridge was the  
24       most obstinate of all projects I've ever worked on.

25                Now, that's not saying this particular

1           one is going to be different. They have different  
2           personnel. But in the Wisconsin part of that  
3           project, there was massive violations in the Clean  
4           Water Act and the EPA was involved, a very bad track  
5           record. The reclamation on Alberta Clipper was bad,  
6           many problems. Now, there was some good ones, good  
7           outcomes as well. I'm just providing a warning  
8           about this company.

9                     Thank you very much.

10                    MR. LARRY HARTMAN: Thank you. It's  
11           getting close to 7:30 so this might be a good time  
12           to take the break for Janet. I have about 7:20 on  
13           my watch, so why don't we reconvene at 7:35. I  
14           guess there's a clock on the wall back there that  
15           says 7:20 so we're in sync on time. So please come  
16           back. If you don't want to come back, that's fine.  
17           Be sure you pick up the materials back there. If  
18           you have questions before you leave, be sure to talk  
19           to either me or somebody from Enbridge if you're  
20           looking for answers.

21                    (Break taken from 7:21 to 7:40.)

22                    MR. LARRY HARTMAN: It's 7:40, why don't  
23           we go ahead and begin.

24                    The next speaker card I have is Marty  
25           Cobenais. Hope I didn't butcher that too badly.

1 MR. MARTY COBENAIS: Cobenais.

2 MR. LARRY HARTMAN: C-O-B-E-N-A-I-S, I  
3 believe. Do you want to give me the correct  
4 pronunciation?

5 MR. MARTY COBENAIS: Nah, you're a  
6 government employee, you're going to butcher it  
7 anyways.

8 MR. LARRY HARTMAN: Oh, come on. Give me  
9 a chance.

10 MR. MARTY COBENAIS: Marty Cobenais,  
11 C-O-B-E-N-A-I-S. Hello. I know most of you by name  
12 and sight.

13 My name is Marty Cobenais, I am the  
14 former pipeline organizer for the Indigenous  
15 Environmental Network located in Bemidji, Minnesota.  
16 I did that for eight years. I was involved in the  
17 Alberta Clipper and also the Keystone XL pipeline  
18 and the expansion and now this again.

19 I'm also a board member of the Northstar  
20 Chapter of the Sierra Club of Minnesota. So those  
21 are kind of my credentials.

22 One of the things that you guys have  
23 talked about, and I believe you talked, and I forgot  
24 your name.

25 MR. BARRY SIMONSON: My name is Barry

1 Simonson.

2 MR. MARTY COBENAIS: Barry, one of the  
3 things that we spoke about right away was this was  
4 going to be North Dakota oil only. How do I  
5 guarantee -- how do you guarantee me that?

6 MR. BARRY SIMONSON: I believe it's in  
7 the application, and that's where our -- that's  
8 where the oil is in our application, that's light  
9 crude oil is coming from the Bakken region.

10 MR. MARTY COBENAIS: Okay. Well, here's  
11 my question, and this is my problem. During the  
12 informational hearings that you guys had in East  
13 Grand Forks and in Park Rapids, I met with a couple  
14 of you guys, different Enbridge employees, and two  
15 of them are actually sitting on the panel. They  
16 said that once the pipeline is built any oil can go  
17 through any pipeline. How would you respond to that  
18 one?

19 MR. MARK CURWIN: I'm, Marty, again, Mark  
20 Curwin. The pipeline, as Barry said, the pipeline  
21 originates in Tioga and ends in Superior. It's not  
22 connected to any other system, it connects to our  
23 main line system in Clearbrook and that's it.

24 MR. MARTY COBENAIS: But the North Dakota  
25 Pipeline goes into the pumping station and into the

1 station here in Clearbrook so it does mix. The  
2 North Dakota Pipeline ends at the gate right down  
3 here.

4 MR. MARK CURWIN: The current line 81,  
5 that's correct, it ends at -- that's correct. And  
6 we're not here to talk about line 81, we're here to  
7 talk about the route of Sandpiper.

8 MR. MARTY COBENAIS: And this is going to  
9 connect to that and you will still have connections  
10 with the other pipelines.

11 MR. MARK CURWIN: This pipeline is going  
12 to have its own permit here in Clearbrook.

13 MR. MARTY COBENAIS: Then explain to me  
14 how you're going to get the extra 150,000 barrels a  
15 day when you're only putting 225 in the system a  
16 day.

17 MR. MARK CURWIN: It will be coming in at  
18 Clearbrook.

19 MR. MARTY COBENAIS: So where does that  
20 come from?

21 MR. MARK CURWIN: It's all North Dakota  
22 oil.

23 MR. MARTY COBENAIS: But how do you  
24 explain that? Are you going to a magician and all  
25 of a sudden --

1                   MR. MARK CURWIN: It's all North Dakota  
2 oil as described in the application and that's my  
3 answer.

4                   MR. MARTY COBENAIS: Okay. So, in other  
5 words, no.

6                   Yes, sir. Oh, okay.

7                   My next question is in here you say that  
8 you're going to do natural resources and cultural  
9 resources. What type of a system have you done with  
10 this so far and what tribes have you contacted to do  
11 this in regards to any of this?

12                  MR. JOHN GASELE: Are you asking about  
13 the Section 106 process?

14                  MR. MARTY COBENAIS: Yeah.

15                  MR. JOHN GASELE: The Section 106 process  
16 is a government to government consultation done by  
17 the federal government to a tribal government. It's  
18 not something that the company can initiate itself.  
19 In this case, it's done in connection with the  
20 federal permitting, and Sara can correct me if I'm  
21 wrong, it'll be from U.S. Army Corps of Engineers,  
22 thank you, Sara. So once the application is  
23 submitted the Army Corps of Engineers begins its  
24 work. The application was submitted a couple weeks  
25 back. Then that's the agency that undertakes that

1           process. It is, under federal law, designed to be a  
2           government to government process. It's not  
3           something that the company is in control of.

4                   MR. MARTY COBENAIS: How does the Corps  
5           of Engineers have a government to government  
6           relationship with a tribe, when it should be  
7           Department of Interior or Bureau of Indian Affairs?

8                   MR. JOHN GASELE: That's a question for  
9           the Army Corps of Engineers. I'm sorry, I can't  
10          tell you how their process works. But I can tell  
11          you that the federal agencies themselves are in  
12          control of that, not the company.

13                  MR. MARTY COBENAIS: Earlier you said  
14          that over 95 percent of the people have had their  
15          assessments done, or easements. Is that the correct  
16          number that I heard?

17                  MR. JOHN GASELE: I believe the statement  
18          was in reference to survey access.

19                  MR. MARTY COBENAIS: Survey access?  
20          Okay. So what is your approval right now on  
21          easements?

22                  MR. MARK CURWIN: In Minnesota, it's in  
23          the mid 30 percent right now.

24                  MR. MARTY COBENAIS: Okay. When you guys  
25          go through the new power line and you go through the

1 new system, are you guys going to be following the  
2 same easements, and are you going to be, like, down  
3 in the east of Park Rapids, you normally have enough  
4 room there to do an easement even within the  
5 easement area of the power line, that's how you guys  
6 got most of your pipelines in along the railroad  
7 system, was going along the railroad easement. So  
8 is this the same way you guys are going to do it  
9 with this?

10 MR. MARK CURWIN: Our footprint -- we are  
11 looking to acquire a 50-foot permanent easement  
12 along the entire corridor.

13 MR. MARTY COBENAIS: I believe it was Art  
14 who said at one of the other meetings, and this is  
15 going on hearsay right now, he said that we always  
16 clean up our spills. Did you really say that?

17 MR. ART HASKINS: Yes.

18 MR. MARTY COBENAIS: So when there's five  
19 spills within the Leech Lake boundary of the  
20 reservation and only two of them are actually  
21 cleaned up, do you want to reconsider that  
22 statement?

23 MR. MARK CURWIN: We work with the  
24 regulators in all cases when we have leaks and  
25 incidents. We continue to work with the regulators



1 to address whatever circumstances exist at any of  
2 those sites. Again, the Leech Lake Reservation is  
3 not on the Sandpiper route.

4 MR. MARTY COBENAIS: Well, I'm just  
5 trying to clarify and make sure that these people  
6 know that you guys are not really that great on  
7 cleanup and to make it part of your issue. So that  
8 later on the law judge can look at this and say, you  
9 know what, he actually was not telling the truth on  
10 this. Isn't that what part of this is all about,  
11 too?

12 So you guys have environmental impacts  
13 over in Leech Lake into their groundwater, you guys  
14 are monitoring it with the Leech Lake Reservation,  
15 and that is considered cleanup for you guys. That  
16 is mitigation. That's what you guys use, the big  
17 word is mitigation.

18 Earlier you guys were talking about the  
19 plan is going to be 250,000 barrels per day but it  
20 can go up to 400,000 barrels per day. What's the  
21 psi? What's pounds per square inch that you guys  
22 are going to be pushing through this?

23 MR. MARK CURWIN: The pipe's designed to  
24 operate in and around 1,000 psi.

25 MR. MARTY COBENAIS: Okay.

1                   MR. BARRY SIMONSON: Just to clarify, the  
2                   maximum on a line would be 1,480 psig.

3                   MR. MARTY COBENAIS: Okay. So you guys  
4                   are going to be operating at the 80 percent or the  
5                   72 percent? Or are you going to be asking for a  
6                   waiver?

7                   MR. BARRY SIMONSON: I can answer that  
8                   question. I know you asked me previously in Park  
9                   Rapids, Marty, on this one. And in reference to  
10                  what you're speaking of, based on CFR Part 195  
11                  there's a calculation on that that takes into  
12                  account how to establish the maximum allowable  
13                  operating pressure, and for a crude line the design  
14                  factor is .72. Does that answer your question?

15                  MR. MARTY COBENAIS: That's 72, so you  
16                  guys are not going to be asking for the waiver to go  
17                  up to 80 percent?

18                  MR. BARRY SIMONSON: No, sir.

19                  MR. MARTY COBENAIS: Okay. Earlier you  
20                  said also that it's 100 feet from a well. How close  
21                  is that from a permanent structure, residential  
22                  structure? What's the guidelines?

23                  MR. MIKE BRADBURN: My name is Mike  
24                  Bradburn. And how are you doing, Marty?

25                  MR. MARTY COBENAIS: Good.

1                   MR. MIKE BRADBURN: How close can you put  
2 a pipeline to a permanent structure? Normally in a  
3 defined easement we have a 25-foot buffer on the  
4 pipe. So you can build right up to the edge of the  
5 unit.

6                   MR. MARTY COBENAIS: Right up to a home?

7                   MR. MIKE BRADBURN: Somebody can build up  
8 to the edge of the easement if the pipe is there.

9                   MR. MARTY COBENAIS: Okay. So when you  
10 guys do pressure testing, which goes at over 100  
11 percent of what the pipeline capacity is, you  
12 actually move people from their homes that are even  
13 further away from that for their safety while you  
14 test it. Why is that?

15                  MR. MARK CURWIN: The hydro test process,  
16 we're obviously always trying to make sure that  
17 everybody is safe, and it's not required that they  
18 leave the area.

19                  MR. MARTY COBENAIS: But you're willing  
20 to put them up in a hotel room while you pressure  
21 test it with this water, yet they can live in their  
22 homes when they have oil pouring the same distance,  
23 and that's supposed to be safer? Especially when  
24 Bakken oil is more explosive than any other oil that  
25 there is? Which has been proven in the railroad

1 failures in Quebec, that is to be one of the biggest  
2 explosions and that killed numerous people, that was  
3 carrying Bakken oil.

4 Bakken oil also carries high levels of  
5 sulfur, to which in 2009, I believe, Enbridge stated  
6 that they did not want anything to do with the  
7 Sandpiper pipeline because of the high sulfur  
8 levels. What made you guys change your mind? And  
9 that is documented in the Grand Forks newspapers.

10 MR. JOHN GASELE: Marty, I'm not sure  
11 what you're referring to, the Grand Forks newspaper.  
12 I do know that the company did set some limits for  
13 oil to accept based on sulfur content in the North  
14 Dakota system. Somebody could probably talk about  
15 that if we needed to, but, you know, again, these  
16 are -- as I said in the beginning, this is really a  
17 scoping process, so if you feel these are things  
18 that should be addressed in the scoping process, you  
19 can go ahead and we'll answer questions as we can  
20 here --

21 MR. MARTY COBENAIS: Well, I have  
22 questions as far as routing.

23 MR. JOHN GASELE: But other than that, it  
24 seems like you identified scoping issues about  
25 looking at setbacks and the Bakken oil, so those

1        seem like issues that can be addressed. Like I  
2        said, you can do as much fact-finding mission as you  
3        want, and it is for us to find out what people are  
4        interested in as it is for people coming out this  
5        evening.

6                    MR. MARTY COBENAIS: Art, do you want to  
7        answer that, too? You raised your hand.

8                    MR. ART HASKINS: Just if they want to  
9        know what it is.

10                   MR. MARTY COBENAIS: What is it?

11                   MR. MARK CURWIN: It's really not  
12        relevant to the pipeline, it's relevant to rail  
13        operations.

14                   MR. MARTY COBENAIS: In the newspaper,  
15        the statement, you guys said it was due to your  
16        employees' safety.

17                   MR. MARK CURWIN: That's right.

18                   MR. MARTY COBENAIS: So how is this not  
19        relevant? This is also for the people, for the  
20        water, for the animals, and everything else around  
21        it. So don't tell me that it's irrelevant.

22                   MR. LARRY HARTMAN: Marty, if I could  
23        just comment. And I'm not familiar with the --  
24        whatever you're talking about in the Grand Forks  
25        paper. And regarding the railroads, and obviously

1       there's a lot of discussion about upgrading the  
2       transportation system used for oil shipments. It  
3       was in part -- part of my understanding that the  
4       shippers weren't making -- not the shippers, but the  
5       producers weren't making the entities aware of the  
6       chemical characteristics of that oil.

7                 Now, again, maybe I've got it wrong, but  
8       I thought that before Enbridge gets the oil it  
9       obviously -- well, Enbridge, Minnesota Pipeline or  
10      other pipeline companies, other transportation  
11      entities, if they are providing oil, I'm assuming  
12      part of the responsibility is indicating what the  
13      chemical content of that product is is their  
14      responsibility. And I don't know if it's a question  
15      of -- obviously you're raising a question of  
16      responsibility.

17                Now, I'm assuming Enbridge will transport  
18      it if they know what the content is. And, again, I  
19      don't know if shippers have made clear for rails  
20      what the content is. And maybe that's part of the  
21      misunderstanding, if there is one. Can you clarify  
22      where you're coming from on that point?

23                MR. MARTY COBENAIS: First, Larry, I'd  
24      like to say that I don't understand, as a neutral  
25      party, why you're answering and being a part of

1           this.

2                   MR. LARRY HARTMAN: No, I'm just trying  
3           to clarify. And I'm just saying I'm not familiar  
4           with it. I remember reading some of the newspaper  
5           articles --

6                   MR. MARTY COBENAIS: As a pipeline  
7           company they should know exactly what is going  
8           through the pipelines at all times so that they can  
9           respond responsibly for any spills, leaks,  
10          explosions, or anything else that goes on.

11                   As a matter of fact, that's a lot of what  
12          the legislation is going on through Minnesota right  
13          now, and why a lot of fire departments are asking  
14          and trying to figure out what the emergency response  
15          is to oil spills and pipelines and everything else.  
16          Because they don't seem to know exactly what is  
17          going through the pipelines. But yet through these  
18          meetings, Enbridge and other pipeline companies  
19          always sit and tell us exactly, well, we talked with  
20          all the training and we train with all the fire  
21          departments, they know exactly what to do. They  
22          need to call us and within whatever minutes we will  
23          have someone on the line to tell them what to do.  
24          That is not a response.

25                   MR. MARK CURWIN: The way pipelines

1 work -- the way pipelines work, we have a tariff,  
2 and that is approved by the federal government. And  
3 inside that tariff we have standards. We have  
4 specifications for the product that comes in the  
5 pipeline. If the product doesn't meet those  
6 specifications, it doesn't go in the pipeline.

7 That said, I'll let Art speak to how we  
8 measure that and how we ensure that we know what's  
9 flowing through the pipeline.

10 MR. ART HASKINS: Hello, Marty. My name  
11 is Art Haskins.

12 So at any transfer point onto our  
13 pipeline, there are measurement facilities there,  
14 automatic transfer systems. And we measure, then,  
15 the sulfur content. And our tariff says five parts  
16 per million is the maximum H<sub>2</sub>S level that we'll  
17 accept into our oil transport, so that, as you said,  
18 it is the H<sub>2</sub>S content is safe for us to operate  
19 around.

20 MR. MARTY COBENAIS: So how does that  
21 affect when there's a leak and there's sulfur in  
22 there? How does that affect the wild rice? Do you  
23 know?

24 MR. ART HASKINS: That's not part of --  
25 that's not part of my scope of response.



1 MR. MARTY COBENAIS: Okay.

2 Environmental, Sara? I'm sorry for the rest of the  
3 community that I'm taking up so much time here, but  
4 I have lots of questions.

5 MR. JOHN GASELE: Hi, Marty. Again, wild  
6 rice and potential impacts of wild rice has been  
7 identified in prior meetings, I'm sure that that's  
8 something that can be addressed as this goes  
9 forward. We may not have an answer for you right  
10 now, but as I said, this is a scoping process to  
11 identify issues to be addressed later on.

12 MR. MARTY COBENAIS: Okay. Well, I'm  
13 going to close up here. I'm going to give you guys  
14 at least five different options to this.

15 One, and I'm going to ask you guys for  
16 your opinions on this also. One, why are you not  
17 going through the alternative route, which is the  
18 northern route through Cass Lake and following the  
19 existing routes? Which includes the Alberta Clipper  
20 that you guys just put in a couple years ago.

21 MR. BARRY SIMONSON: Marty, this is Barry  
22 again.

23 In terms of the route analysis that we  
24 did for Sandpiper, we did look at the northern  
25 route, which was the Enbridge corridor that exists

1        today, as well we looked at the southern route which  
2        is our proposed route. Some of the challenges that  
3        we've seen in looking at the north route is there  
4        are six pipelines, some areas looped with seven, so  
5        that renders areas like Bemidji, Cohasset, Grand  
6        Rapids, Cass Lake, where there is congestion. From  
7        a safety perspective for construction there's not a  
8        lot of room, that causes some issues with potential  
9        construction with the pipeline itself going through.

10           In addition to that, population centers,  
11        there's more -- there's a higher population center  
12        which then encroaches upon more general public. In  
13        addition to that, there are other utilities that  
14        have been installed in certain areas that would --  
15        would cause reroutes that will impact areas such as  
16        higher areas for clearing in the Chippewa National  
17        Forest area. And Sara can talk to the environmental  
18        piece to a greater extent than I can.

19           The southern route has less population  
20        centers, if you look at it from what we've done in  
21        terms of civil environmental surveys. In addition  
22        to that, it has -- both routes, obviously, have  
23        existing utilities. Predominantly in the northern  
24        route the Enbridge pipelines, in the southern route  
25        there is existing Minnesota Pipeline Company

1 pipelines that exist today, as well as on the  
2 east-west portion there is a large majority of the  
3 route that would follow an existing DC corridor.

4 So as I alluded to before, we are trying  
5 to collocate as best we can with existing or other  
6 utilities and that's why the southern route was  
7 chosen as opposed to the northern route as it exists  
8 today.

9 MR. MARTY COBENAIS: Okay. The other  
10 question is why not hook up to the Alberta Clipper,  
11 and since you are going through that expansion  
12 process now, put your extra oil in there rather than  
13 creating a whole new route from Clearbrook over to  
14 Superior? There's an alternative route that is  
15 really no environmentally damaging.

16 MR. MARK CURWIN: The two lines serve  
17 different customers and different needs, Marty.

18 MR. MARTY COBENAIS: But, once again, you  
19 guys have also said before that any oil can go  
20 through any different pipelines.

21 MR. MARK CURWIN: You have my answer.  
22 That's as simple as that. There's demand from North  
23 Dakota for product to get from North Dakota to  
24 Superior, and there's not enough room on our  
25 existing system to satisfy that demand.

1                   MR. MARTY COBENAIS: I know you guys told  
2 me not to talk about need, but I know where this oil  
3 is actually going to. The contracts are up in the  
4 refinery in Quebec. That's why the train derailed  
5 up there, is because the Bakken oil was going up  
6 there. That's why you guys are reversing the line  
7 in Canada, from starting it up to Quebec. So we can  
8 play this game if you want to.

9                   Why not create or follow another pipeline  
10 that you guys have going from the Bakken up to  
11 Canada that connects onto your main line already?

12                  MR. MARK CURWIN: As I just said, our  
13 main line system doesn't have excess capacity right  
14 now. And this is the reason why the new pipeline is  
15 being proposed, to get the product out of North  
16 Dakota. Because there is not sufficient pipeline  
17 capacity out of North Dakota right now.

18                  MR. MARTY COBENAIS: So then why don't  
19 you guys -- Keystone and TransCanada has the Alberta  
20 Clipper that is probably not going to be allowed, so  
21 why isn't there an option, then, to hook up into  
22 Montana where they've approved a terminal to be  
23 done? Wouldn't that be shorter for you guys to go  
24 from the Bakken to the TransCanada pipeline?

25                  MR. JOHN GASELE: Marty, I think you're

1       addressing a lot of issues that actually fall within  
2       the realm of certificate of need --

3               MR. MARTY COBENAIS: No, I'm addressing a  
4       lot of issues that result on the route.

5               MR. JOHN GASELE: Again, let me finish my  
6       statement there. For members of the public, and  
7       maybe you're not familiar with the process, I  
8       believe both Larry Hartman and Mr. Kaluzniak  
9       mentioned that there are two permits required. One  
10      is a certificate of need and the other is pipeline  
11      routing. And the goal of the certificate of need  
12      analysis is to look at is this the best option to  
13      move forward. If you go look at the application, we  
14      filed the application online, there's a great deal  
15      of discussion of alternative pipeline options,  
16      there's methods of transportation, and that's the  
17      context of what you've addressed. So if you're  
18      interested in that information, that's all in the  
19      certificate of need application.

20              MR. MARTY COBENAIS: So why not hook up  
21      to the Keystone One pipeline south of Grand Forks,  
22      or just west of Grand Forks?

23              MR. JOHN GASELE: I'm sorry, Marty,  
24      that's information that's in the certificate of need  
25      application. The short answer is the lines serve

1 different markets, but without getting --

2 MR. MARTY COBENAIS: What does this  
3 market actually serve? Where does this market  
4 actually serve?

5 MR. JOHN GASELE: The main line system,  
6 Sandpiper specifically, as folks had mentioned --  
7 and this information for everybody here, it's all in  
8 the application -- runs from North Dakota to  
9 Superior, Wisconsin where it can connect to other  
10 pipelines to serve the Midwest. Again, it's all in  
11 the application.

12 MR. MARTY COBENAIS: There's no other  
13 pipelines, it's just going into the additional other  
14 pipelines you already have in place, correct?

15 MR. JOHN GASELE: Marty, I really suggest  
16 that you read the application.

17 MR. MARTY COBENAIS: Is that correct?

18 MR. JOHN GASELE: I'm not --

19 MR. MARTY COBENAIS: You can answer if  
20 it's in the certificate of need, it should be a real  
21 simple answer.

22 MR. JOHN GASELE: Marty, I'm going to  
23 just refer you to the certificate of need  
24 application. We're here to talk about the scoping  
25 issues for the routing today.

1                   MR. MARTY COBENAIS: So, in other words,  
2                   it's going into the other pipelines, or it's going  
3                   to go on ships across the Great Lakes to Toledo,  
4                   Ohio, then you're going to reverse the line from  
5                   Toledo, Ohio down to the Gulf of Mexico. That's all  
6                   I need is a website.

7                   MR. JOHN GASELE: With all respect,  
8                   Marty, I think you're speculating.

9                   MR. MARTY COBENAIS: It's on the website  
10                  so it's not speculation. It's a 20-inch line from  
11                  Toledo down that you guys are going to reverse.

12                 MR. MARK CURWIN: I'm not going to  
13                 speculate on what you're saying, Marty, but I want  
14                 people to know, Enbridge has no plans to put oil in  
15                 tankers on the Great Lakes. Zero.

16                 MR. MARTY COBENAIS: No, that's the  
17                 refinery from Superior.

18                 MR. MARK CURWIN: And for your  
19                 information, that was just turned down by the  
20                 Wisconsin Department of Natural Resources.

21                 MR. MARTY COBENAIS: So let's play  
22                 devil's advocate, then.

23                 MR. LARRY HARTMAN: Marty, could I ask  
24                 you, as a courtesy, there are other people who would  
25                 like to speak, we have about 25 minutes. Could I

1 get to the other people first and come back to you?

2 MR. MARTY COBENAIS: Let me ask one more  
3 question, please, sir.

4 My question is that -- well, maybe it's  
5 just the closing statement, I guess. So far in all  
6 this that I've asked, when I got to the hard  
7 questions, and actually some of the very simple  
8 questions, you guys have not answered the questions  
9 and told me to go do this and go do that. The  
10 simple part of this is that you guys are playing a  
11 game here, in that you play this name game, which  
12 this gentleman asked earlier about what company is  
13 this, North Dakota or Enbridge? When it comes to  
14 lawsuits, who do we sue? Because there will be  
15 court cases. And who's going to take these people  
16 to court for eminent domain? Enbridge or North  
17 Dakota Pipelines? Mr. Attorney? Do you want to --  
18 that's my very final question, I guess. Who do we  
19 sue?

20 MR. JOHN GASELE: You know, Marty, with  
21 all respect, again, you may not like my answer, but  
22 that name change is explained in the application.

23 MR. MARTY COBENAIS: So who do we sue?  
24 And the name changes, it doesn't matter, because  
25 when it gets into the court system you guys will



1 say, well, that's not us and that's not us.

2 MR. JOHN GASELE: The applicant here and  
3 the company that's going to be operating the  
4 pipeline is North Dakota Pipeline Company, LLC.  
5 Again, that's all information that's out there in  
6 the application.

7 MR. MARTY COBENAIS: Okay. Then why is  
8 Enbridge sitting up at the table if it's North  
9 Dakota?

10 MR. JOHN GASELE: Again, the information  
11 is in the application shows that Enbridge is the  
12 majority owner of the North Dakota Pipeline.

13 UNIDENTIFIED: If it doesn't matter, it's  
14 North Dakota, why are you guys up there then?

15 MR. LARRY HARTMAN: The next speaker I  
16 have a card for is Doug Rasch, R-A-S-C-H. Is Doug  
17 here?

18 MR. DOUG RASCH: Yes. Hello, Doug Rasch  
19 again, R-A-S-C-H.

20 Marty actually beat me to a couple  
21 questions for you so I won't go through any of that  
22 again. I just have a short question, and that's  
23 about the new pumping station. I assume it's on the  
24 line somewhere west of Clearbrook, and is it part --  
25 is building it part of the routing permit? Is that

1 included in the routing permit?

2 MR. GREG SCHELIN: Doug, my name is Greg  
3 Schelin, and I lead a team of engineers and  
4 designers that are responsible for those facilities.  
5 So to answer your question, yes, the pipeline pump  
6 station that's planned for Clearbrook will be on the  
7 main line. We have a prospective site that we're  
8 looking at. We still need to do some environmental  
9 survey work there. But, obviously, we keep the pump  
10 stations as close as practical to the main line and  
11 so it would be included adjacent to or partially in  
12 the pipeline right-of-way.

13 MR. DOUG RASCH: And there would be a  
14 storage facility there also?

15 MR. GREG SCHELIN: That's correct. This  
16 facility is going to have several components. One  
17 is a main line pump station. There will be two  
18 storage tanks. And there will be some buildings  
19 there, one that covers the pumps, a pump house.  
20 There will be an electrical building similar to what  
21 you see at the facility that exists today just down  
22 the road here. So to answer your question, yes,  
23 there will be storage tanks there and a pump  
24 station.

25 MR. DOUG RASCH: Would the route from

1           that new pump station continue to the old pump  
2           station facility, and then continue on the proposed  
3           southern route from the station just east of town?

4                   MR. GREG SCHELIN: The Sandpiper line  
5           will continue down the southern corridor from the  
6           new Clearbrook pump station.

7                   MR. DOUG RASCH: Okay. So it wouldn't  
8           continue east of Clearbrook then?

9                   MR. GREG SCHELIN: It will not, no.

10                  MR. DOUG RASCH: So you have to negotiate  
11          a new corridor for that pipeline?

12                  MR. GREG SCHELIN: Yes, sir.

13                  MR. DOUG RASCH: Where do you anticipate  
14          it joining the Minnesota Pipeline easement?

15                  MR. GREG SCHELIN: I don't know the  
16          answer to that question.

17                  MR. DOUG RASCH: Okay. Well, thank you  
18          very much.

19                  MR. LARRY HARTMAN: Doug, if I might  
20          maybe add to that. A permit issued by the Minnesota  
21          Public Utilities Commission, if it does come to  
22          that, would also be for the pump station and the  
23          terminal facilities also. There will still be  
24          downstream permits, more perhaps from PCA with  
25          regard to determine the air quality and other things

1       like that. If they parallel -- well, assuming  
2       they're proposing to parallel the MinnCan pipeline  
3       system, there are two main line pipelines that  
4       Minnesota Pipeline has and they have the MinnCan  
5       pipeline, which is a project in 2005, 2006, if I  
6       remember correctly.

7               So this would be a fourth pipeline. And  
8       between here and Park Rapids I think there are one  
9       or two pump stations and there are probably some  
10      loops on some of the old MinnCan 16-inch pipelines,  
11      also, that still exist.

12             MR. DOUG RASCH: Okay. Thank you.

13             MR. LARRY HARTMAN: The next -- oh, I'm  
14      sorry, did you have another point?

15             MR. DOUG RASCH: No, that's all right.

16             MR. LARRY HARTMAN: Okay. The next  
17      speaker card I have is Renee Walker. Oh, excuse me,  
18      I've already called you, I have two other people I'd  
19      like to take first.

20             Lois Krogstad?

21             UNIDENTIFIED: She left.

22             MR. LARRY HARTMAN: Karen Gebhardt from  
23      Leonard. Hi Karen.

24             MS. KAREN GEBHARDT: Hi Larry.

25             MR. LARRY HARTMAN: It's been a few

1	years.
---	--------

2 MS. KAREN GEBHARDT: It has been indeed.  
3 I missed the beginning of the meeting. Do I need to  
4 say anything to start up? Just my name?

5 My name is Karen Gebhardt, the last name  
6 is G-E-B-H-A-R-D-T. I am a landowner under what  
7 would be now the alternative route, but I have six  
8 Enbridge pipelines across my land.

9 My question is -- or, actually, my first  
10 question is the PUC sets up a pretty extensive list  
11 of rules and regulations for the pipeline's  
12 responsibilities during construction. What happens  
13 if, which we suffered a lot of during the Alberta  
14 Clipper, Enbridge does not comply with those rules  
15 and regulations? What specifically are the  
16 consequences to Enbridge?

17 MR. MICHAEL KALUZNIAK: Thank you. The  
18 Public Utilities Commission grants the approval of  
19 the project based on several criteria of need.  
20 Whether a more reasonable and prudent alternative  
21 has been developed and so forth. As a matter of  
22 compliance, a certificate of need is not something  
23 that contains provisions for things like cleanup of  
24 spills and the like.

25	There are provisions in our rules and
----	---------------------------------------

1 statutes that preempt the Commission from acting as,  
2 say, an agency of state government like the PCA or a  
3 federal and state pipeline safety operation like the  
4 Minnesota Office of Pipeline Safety. So we don't  
5 retain those responsibilities or have any authority  
6 to do those sort of things.

7 Part of our process tries to identify  
8 those exact agents to make sure that they are  
9 contacted and informed of these projects and are  
10 aware of them so that any of their requirements are  
11 identified. For example, as Larry mentioned, there  
12 are several things with DNR and the PCA for things  
13 like water crossings of public lands, land crossings  
14 on publicly-owned lands. The PCA has requirements  
15 for spill prevention and so forth. The Pipeline  
16 Safety folks retain a lot of that. A lot of this is  
17 preempted by federal jurisdiction so the state  
18 doesn't have the authority to contravene existing  
19 federal requirements.

20 MS. KAREN GEBHARDT: So, in other words,  
21 nobody enforces the rules and regulations of the  
22 pipeline routing permit?

23 MR. LARRY HARTMAN: Let me elaborate on  
24 what Mike has indicated. As you know, you should  
25 have received, when the Alberta Clipper permit was

1        issued, all landowners received a copy of that  
2        permit in the mail. And there are also a fair  
3        number of appendices associated with the permit. If  
4        you're an owner of agricultural land you should have  
5        received, I believe, if I remember correctly, a copy  
6        of the agricultural mitigation protection plan, or  
7        whatever it was called.

8                In our permit, in the back there's also a  
9        thing called -- there's a form for complaints.  
10       Landowners do have the opportunity to submit  
11       complaints. I know you and I have had some  
12       discussions in the past about trees, people  
13       urinating on the right-of-way, if I remember  
14       correctly also, a few other things like that. So,  
15       you know, one --

16               MS. KAREN GEBHARDT: Larry, here's my  
17       question. If I -- if I go out on the highway  
18       tonight and the highway sign says there's a 55 mile  
19       an hour limit, and I want to go 75, can I do that?  
20       Or will someone probably pull me over and give me a  
21       ticket? The point is you can't set up rules with no  
22       enforcement whatsoever because then they really  
23       aren't rules, they're just recommendations.

24               MR. LARRY HARTMAN: They're permit  
25       conditions.

1 MS. KAREN GEBHARDT: They're not permit  
2 conditions.

3 MR. LARRY HARTMAN: Could I just try to  
4 finish, please? If you go through the permit, there  
5 are a number of things, some are construction  
6 related, some deal with restoration. Now, granted,  
7 it's not a perfect world. We do have a complaint  
8 procedure. Our office is handling some of those,  
9 now they get filed directly with the Commission for  
10 a response. I work with them on that if they come  
11 to me.

12 I know you had some other fiduciary  
13 issues with regard to Christmas trees you have on  
14 your land and some other things. We aren't involved  
15 on the compensation side.

16 Now, again, and what I've indicated  
17 earlier, we do have monitors out there. Some report  
18 to DNR, some report to Ag. The county can also  
19 appoint an inspector and Enbridge has to pay the  
20 county \$500 per mile for the county inspector. It's  
21 up to the county as to who they appoint for that  
22 inspector. A lot of times it's been perhaps the  
23 county highway engineer. His interests might be  
24 more focused on county roads. Ditches, for example,  
25 rather than individual landowners. The idea of I



1 think of paying the county to provide an inspector  
2 is more kind of an ombudsman to represent the  
3 interests or concerns of the landowner. Again, my  
4 telephone number has been passed, if people have an  
5 issue they can contact me, and I've tried to resolve  
6 some issues, perhaps some successfully, perhaps  
7 others not so well. I guess you are perhaps a  
8 better judge given your past history on that.

9 MS. KAREN GEBHARDT: Well, when it comes  
10 to an environmental issue, the DNR is there and  
11 there's no question that that's handled.

12 MR. MICHAEL KALUZNIAK: If I may. One of  
13 the criteria for approval of a certificate of need,  
14 and it's one of the major four things that we look  
15 at, is whether it's demonstrated on the record that  
16 the facility as designed, constructed, or operated  
17 will fail to comply with relevant policy, rules and  
18 regulations of other state and federal agencies and  
19 local governments. So if the record is  
20 demonstrating that this facility as designed,  
21 constructed, or operated would fail to comply with  
22 those requirements, the Commission will not approve  
23 the granting of a certificate of need.

24 MS. KAREN GEBHARDT: I guess I don't  
25 think that protects landowners.

1 MR. LARRY HARTMAN: Let me elaborate  
2 again. What Mike is talking about is that agencies  
3 have jurisdiction over certain things. I think your  
4 point is who's there to look after the interest of  
5 the landowners.

6 MS. KAREN GEBHARDT: Correct. And  
7 there's no one.

8 MR. LARRY HARTMAN: And, again, those  
9 complaints come either to me or to the Commission.  
10 Again, on the Alberta Clipper project, yes, we did  
11 have some complaints, far fewer than I expected.  
12 And, again, I think most of those were resolved. I  
13 don't have the number in front of me, back in the  
14 office I do have it and I can provide it at a later  
15 date as to the number of releases signed or obtained  
16 by Enbridge and landowners who were involved in that  
17 project.

18 They're still doing restoration in some  
19 areas. Some landowners refused to sign releases.  
20 It doesn't mean they're not satisfied, they just  
21 don't sign anything. At some point there will be a  
22 true-up at the end where if Enbridge hasn't  
23 completed that, and I think there's still a few  
24 outstanding issues with landowners, we'll try to  
25 resolve those issues as best can be resolved.

1                   And, you know, again, to your point,  
2                   who's looking after the interest of the landowners  
3                   specifically. Now, again, it's a right if a  
4                   pipeline is in your property. So I don't know how  
5                   you negotiated with Enbridge in the past. There are  
6                   a number of conditions you can ask for and you can  
7                   negotiate for anything. If you want a garden full  
8                   of gnomes, you know, try to negotiate for that. I'm  
9                   not saying it's required or necessary.

10                  All of the conditions that are negotiated  
11                  with you, the landowner, are put into a line list.  
12                  And that line list goes with the construction crew.  
13                  Our office reviews the plan and profiles of the  
14                  drawings submitted. We review those. I also get a  
15                  copy of the line list so that if you as a landowner  
16                  call me up and say, look, they told me that they  
17                  would do this, they're not doing it, and please call  
18                  and I'll try to ensure that that action being  
19                  implemented, carried out, is done correctly, or  
20                  remedial action is taken.

21                  Now, again, I don't get an awful lot of  
22                  phone calls. Again, I'm there, I'm available. I am  
23                  not out there every day, I don't know what's going  
24                  on, I review daily construction reports. I try to  
25                  be abreast of what the issues or what the concerns

1           might be. Now, the fact that everybody who is a  
2           landowner has a copy of the permit, and my phone  
3           number, e-mail address has typically been in those  
4           permits, I'm there to contact if you're having an  
5           issue or a problem.

6                       Quite frankly, I don't think I had more  
7           than 15 or 20 calls. I mean, well, some people  
8           might -- the same person might have called me 300  
9           times, but for the most part I think I had calls  
10          from probably 20 to 30 different people during the  
11          course of that project.

12                      Now, again, your point is landowners, and  
13          I understand that, and I oftentimes think in the  
14          permitting process that more could be done to  
15          represent -- or, I guess, there's a place for the  
16          landowners to go. Now, obviously, you can go to the  
17          company and try to work things out and maybe that  
18          might be the first thing you do. I would advise  
19          that you also give me a call or contact the Public  
20          Utilities Commission on that point or points, as  
21          they may be.

22                      MS. KAREN GEBHARDT: Larry, do you  
23          know -- you mentioned the line list. When  
24          landowners get their signed copies of all of the  
25          easement papers, are they also supposed to get a

1 photocopy of the line list?

2 MR. LARRY HARTMAN: I'm assuming when you  
3 sign the -- well, this is an assumption on my part.  
4 I'm assuming you get a copy of that easement  
5 agreement and what it is. And whatever it is you're  
6 negotiating with the company, get it in writing.  
7 And I'll say that three or four times. Get it in  
8 writing. Get it in writing. Get it in writing.  
9 You know, again --

10 MS. KAREN GEBHARDT: Are they --

11 MR. LARRY HARTMAN: -- you're working  
12 with right-of-way agents. Again, those things that  
13 are mentioned or negotiated in easements will go  
14 into the line list. For construction purposes, I  
15 also ask for a copy of that line list. So if you  
16 call me up, you're a property owner on let's say  
17 tract number 873 in Hubbard County or Clearwater  
18 County, I can look that up and I can see here's what  
19 you negotiated with the company for conditions.  
20 Let's say it's fencing. You want a gate put in your  
21 fence so you don't have to move the cattle so you  
22 can do it yourself. Those are all negotiable  
23 things.

24 MS. KAREN GEBHARDT: But as of the last  
25 project, we never received a copy of that. So

1           that's what I'm asking, is can you specify that  
2           they're required to send back a photocopy of that  
3           along with all the easement conditions?

4                   MR. LARRY HARTMAN: We can make that a  
5           permit condition. And then if it's a permit  
6           condition then they're obligated to do that.

7                   MS. KAREN GEBHARDT: Well, okay.

8                   MR. LARRY HARTMAN: No, it's a very valid  
9           point. I understand it.

10                  MS. KAREN GEBHARDT: It was not required  
11       last time.

12                  MR. LARRY HARTMAN: It was an assumption  
13       on my part that landowners knew what they  
14       negotiated.

15                  MS. KAREN GEBHARDT: Well, sometimes it's  
16       two years in advance of the actual project.

17                  MR. LARRY HARTMAN: No, I understand.  
18       And typically before construction begins on your  
19       property they'll notify you five to ten days in  
20       advance also. And, again, if there are other  
21       outstanding issues that's probably a good time to  
22       mention that also. Hopefully it's not too late.

23                  I've tried to answer you as honestly and  
24       as fairly as I can. I certainly understand where  
25       you're coming from and I will endeavor to pursue and

1 follow up on that.

2 MS. KAREN GEBHARDT: Okay.

3 MR. LARRY HARTMAN: And, by the way, you  
4 tried to contact me awhile ago and my computer  
5 crashed and I lost a lot of my files. This was a  
6 few years ago, which is probably one reason I didn't  
7 get back to you, in case you're wondering, is  
8 because I didn't have your phone number anymore.

9 MS. KAREN GEBHARDT: Okay. I had one  
10 other question that I've been getting on the eDocket  
11 list so I get most of what comes through. And I  
12 apologize if I'm repeating myself 'cause I came in  
13 late. Is there going to be a full environmental  
14 impact statement done on both routes for this?

15 MR. LARRY HARTMAN: No. As I indicated  
16 earlier, and it's in our PowerPoint presentation  
17 also, under our section, or the EERA section, which  
18 stands -- I work for the Department of Commerce, the  
19 Energy Environmental Review and Analysis. And  
20 pipelines were, when the rules were adopted, they  
21 were done on a parallel track with the current  
22 reviews going on then in the environmental review  
23 program. So once the rules were authorized they  
24 were then approved of by the EQB as an alternative  
25 form of environmental review because they contained

1 the elements or all the components of what's  
2 required for environmental review.

3 So there's no EIS, we call it a  
4 comparative environmental analysis. It'll have a  
5 lot of the same information. It'll look at the  
6 differences between routes and the routes that are  
7 proposed in relation to Enbridge's proposed route  
8 and it'll also address issues that are raised during  
9 these meetings.

10 MS. KAREN GEBHARDT: Okay. Am I correct  
11 then in saying that in place of having a full EIS  
12 because they have an environmental mitigation plan  
13 in place, that's --

14 MR. LARRY HARTMAN: No, that's not what I  
15 meant.

16 MS. KAREN GEBHARDT: Okay.

17 MR. LARRY HARTMAN: They -- well, their  
18 application --

19 MS. KAREN GEBHARDT: I don't want to take  
20 up time.

21 MR. LARRY HARTMAN: No, their application  
22 is back there, it was submitted in three volumes.  
23 The primary application, then they have  
24 environmental information report, that's amended by  
25 a third volume containing fairly detailed aerial



1           photographs and USGS quad maps. And they've also  
2           included a number of appendices, proposals as  
3           mitigation plans.

4                   A lot of times those mitigation plans,  
5           let's say, for example, we probably expect changes  
6           or modifications on the ag protection plan. Once  
7           that plan is finalized, then, that would be either  
8           done by the Department of Agriculture and/or in  
9           conjunction with Minnesota Public Utilities  
10          Commission. That would then become a part of the  
11          permit and attached to that permit and that's  
12          something that they would then be obligated to  
13          comply with.

14                   In terms of the comparative analysis.  
15          Now, for EIS review you might have a draft and  
16          final. We do not do that for pipelines, it's just a  
17          comparative environmental analysis. There's no  
18          draft, there's no final, it's a copy that comes out.  
19          And that's introduced by us prior to the start of  
20          the hearing.

21                   So that will be a publicly available  
22          docket, that will be posted on our website, the  
23          eDocket website. Other people are free to post it  
24          to whatever websites they choose should they choose  
25          to do so.

1 MS. KAREN GEBHARDT: Okay. Thank you. I  
2 have one question for this side as well. And I  
3 think you addressed it with Marty. But does any  
4 of -- I know that you're a transportation company,  
5 correct, you just build the pipes, you don't own the  
6 oil. But does any of the oil that goes through your  
7 pipes to Superior go onward to other countries right  
8 now?

9 MR. MARK CURWIN: Some oil that goes  
10 through Superior does go into Canada. But beyond  
11 Canada, no.

12 MS. KAREN GEBHARDT: So they ship it all  
13 the way to Canada, down to here all the way across  
14 and back up to Canada?

15 MR. MARK CURWIN: From west to east,  
16 that's correct.

17 MS. KAREN GEBHARDT: It's tough to get  
18 eminent domain in Canada.

19 MR. LARRY HARTMAN: It's something called  
20 Canadian shield which makes it very difficult to  
21 build pipelines through a large portion of Canada.

22 MS. KAREN GEBHARDT: I don't know, I  
23 lived in Alaska, you should see what they built up  
24 there. Thank you.

25 MR. LARRY HARTMAN: I have two cards

1           left. I think one of you was a previous speaker.  
2           And I'm somewhat confused on names. I have Lois  
3           Krogstad and Renee Walker. Is there one of you that  
4           hasn't spoken?

5                       UNIDENTIFIED: Lois left.

6                       MR. LARRY HARTMAN: Okay. Then we have  
7           one more card, so back to you.

8                       MS. RENEE WALKER: Renee Walker,  
9           W-A-L-K-E-R.

10                      With the environmental impact study on  
11           the petroleum industry, it's says benzene's presence  
12           is in all gasoline, about one percent of it, and  
13           benzene is known to lower white blood cell counts,  
14           it's exposure, in parts per billion causes terminal  
15           leukemia, leukemia, Hodgkin's lymphoma, and other  
16           blood or immune system diseases in just five to 15  
17           years of exposure.

18                      Going through Rice Lake, the wild rice  
19           that we collect, that we harvest every year, it's  
20           part of the culture, it's part of our sustenance,  
21           it's not something that we see just on holidays,  
22           that's something that's on our tables on almost a  
23           daily basis. And it would be like running a  
24           pipeline through your garden and having your  
25           children eat it. You know, knowing the detrimental

1 effects of it.

2 Crude oil is a mixture of many different  
3 kinds of compounds, it's highly toxic and it has a  
4 lot of carcinogens in it. And it's acutely lethal  
5 to fish, which means it kills them in a very short  
6 amount of time, with just the, like, 4,000 parts per  
7 million, which is a .4 percent concentration. And  
8 what can -- what is your plan, you know, to make  
9 sure that this isn't something that's going to  
10 poison -- I am a six-year survivor already, I  
11 already have a lowered immune system, you know, I am  
12 a cancer survivor. And I can't afford to be around  
13 something that's going to lower my immunity any  
14 more. I can't. Having my children around  
15 something, that I'm not going to feed my children  
16 something that's going to end up killing them and  
17 having -- you know, this is our life. You know, we  
18 live off the land up here. We leech in the  
19 springtime, leech is that people go and fish for,  
20 that's what we do in the springtime, that's income  
21 for our families. The rice is our way of life.

22 And all the chemicals that you are  
23 planning to bring through here into these waters  
24 there, you know, your skin's the largest organism on  
25 your body, you know. It's your largest organ. And

1 anything that touches your skin you absorb. So even  
2 if you're not drinking the water, if it's not  
3 drinkable, if you shower in it, if you bathe in it,  
4 anything, you feed it to your animals, that's going  
5 into your body. And if you wouldn't put it in your  
6 backyard and through your garden, don't put it in  
7 ours. You know, this is my home, this is my  
8 children. You know, this is going to kill  
9 everything that means something to most of us here.  
10 We don't need to put it through here. This is our  
11 life.

12 MR. LARRY HARTMAN: Any other questions?

13 Yes.

14 MS. ALYSSA HOPPE: Hi, Janet, and  
15 everyone else. Thank you for being here. My name  
16 is Alyssa Hoppe, A-L-Y-S-S-A, H-O-P-P-E.

17 I was not planning on speaking today.  
18 However, I just saw breaking news on the Duluth News  
19 Tribune from Lorraine Little announcing that  
20 Enbridge intends to add another line in the  
21 northland that will actually come to Clearbrook.  
22 Line 3 looks likes it's going to be replaced. And  
23 as we're talking about routes, I think that is a  
24 comparative analysis of the cumulative effects of  
25 these projects. It's important to consider and I'm

1           very interested in hearing what you guys have to say  
2           about that, since now that's three new pipelines  
3           coming to Clearbrook. This is probably what most  
4           people don't know here because it came out today and  
5           actually it's really important to the permitting  
6           process of this route. Seeing as the resources and  
7           people will be impacted in the same way, right,  
8           because it's the same people, the same resources.

9                        So how can we talk about route permits  
10          when it's not even clear what Enbridge is really  
11          doing? Because here it actually says, I'm going  
12          to read just a little piece here where it says, The  
13          proposal is in addition to the proposed expansion of  
14          the Alberta Clipper line from Canada and the all new  
15          Sandpiper line from North Dakota to Superior as  
16          Enbridge moves to build more pipeline capacity at a  
17          dizzying pace to keep up with the huge volume of oil  
18          now coming out of western North America. I'm  
19          wondering what you guys have to say to that.

20                       MR. JOHN GASELE: Yeah, I think we can  
21          give you a little bit of information about that, but  
22          it was just a project that was announced, I think,  
23          after the end of the business day yesterday.

24                       UNIDENTIFIED: I can't hear.

25                       MR. JOHN GASELE: Oh, I'm sorry. I

1       thought I had the microphone close enough for you.  
2       It's difficult to tell with the speaker right behind  
3       me.

4               The line 3 project did just get  
5       announced. Right now it is something that is in the  
6       absolute beginning of the project development phase.  
7       You know, at this point in time that's really all  
8       the information there is about it. It needs to be  
9       put together to look at it and that's the start of  
10      the process.

11             MS. ALYSSA HOPPE: Okay. I think it's  
12      really important that as we're sitting here talking  
13      about potential routes that the people we're  
14      engaging with are really aware of what Enbridge is  
15      actually up to as a company. Because it's not just  
16      the Sandpiper. And I see that you guys are trying  
17      to separate things and make them work in isolation,  
18      but we in the community have to deal with these  
19      pipelines, we have to see all of them and we have to  
20      deal with all of them. And so to look at them  
21      separately doesn't make a whole lot of sense. So  
22      I'm going to just leave it at that because I realize  
23      that you will fall to the standard for these  
24      processes and you'll just say we can't talk about  
25      it, so I'll save you the time.

1                   MR. LARRY HARTMAN: Are there any other  
2 questions?

3                   MR. PAUL STOLEN: Larry, I have just a  
4 quick question.

5                   MR. LARRY HARTMAN: Okay.

6                   MR. PAUL STOLEN: Paul Stolen. I just  
7 wanted to point out that in addition to Karen  
8 Gebhardt's comments, the DNR letter that I referred  
9 to in my testimony, I forgot to mention we pleaded  
10 with the hearing officer, the DNR had only .4  
11 percent jurisdiction on the line. In other words,  
12 over 99 percent of the line the DNR had no  
13 jurisdiction whatsoever on. And so I wanted to make  
14 that clear. The DNR is not involved except on river  
15 crossings and land crossings. Very little  
16 jurisdiction over this project and we pleaded with  
17 the PUC to deal with that and they didn't do it.

18                   MR. WILLIS MATTISON: Excuse me. Thank  
19 you. My name is Willis Mattison, M-A-T-T-I-S-O-N,  
20 the "I" is silent.

21                   I have a couple of clarifications first.  
22 Early in the initial presentation of Mike Kaluzniak,  
23 excuse me on your name, made a statement I want to  
24 be sure I understood. Did you say that the  
25 applicant actually prepares the comparative



1 environmental analysis or is that prepared by the  
2 PUC or DOC staff?

3 MR. MICHAEL KALUZNIAK: The rules state  
4 that the Commission staff or applicant may make a  
5 comparative environmental analysis. The rules that  
6 govern the route proceeding provide that the  
7 Commission staff or the applicants may prepare the  
8 comparative environmental analysis. As a procedural  
9 matter, the Commission relies on the expertise of  
10 Larry's group, the Department of Commerce Energy  
11 Environmental Review and Analysis group to assist  
12 with the development of that.

13 The materials that are submitted in the  
14 application also contain information that relates to  
15 that analysis as well and those are provided by the  
16 applicant. We do not have the resources to go and  
17 verify the location of every line, we do not have  
18 the resources to do a lot of things we might like to  
19 do. Unfortunately, we do have to rely on a lot of  
20 these things, we can't reduplicate efforts of other  
21 agencies and other sources of information. But the  
22 comparative environmental analysis is vetted through  
23 a process, a public process, and a very transparent  
24 process. So we do appreciate your input and the  
25 input of people who are very critical of the project

1           and people who are for the project. It's something  
2           we want to hear about.

3                     MR. WILLIS MATTISON: So I'm not sure --

4                     MR. LARRY HARTMAN: Could I add on to  
5           what Mike said?

6                     MR. WILLIS MATTISON: Excuse me, I'll go  
7           back to --

8                     MR. LARRY HARTMAN: I'll maybe beat you  
9           to the point. We're going to hire a third party  
10          consultant to do the work for us, our staff is too  
11          small. We've already initiated discussions with --  
12          we have to go through a contract approval process  
13          that can be rather onerous. We have contractors who  
14          do work for us, there's a list of two or three. One  
15          of them has a conflict of interest so that leaves us  
16          with one and we started contract proceedings with  
17          them. Once that's done, we'll make, and I guess  
18          it'll be public information then, but we'll announce  
19          who that is if you have that question later on.

20                    MR. WILLIS MATTISON: In a related  
21          question, then, that when the head had a very  
22          pointed point of view that if this document, the  
23          environmental review, is prepared either by staff or  
24          by the company or by a contractor, and professional  
25          reviewers such as myself -- that's what I've done

1           for most of my career with the Minnesota Pollution  
2           Control Agency -- find that the document is wholly  
3           inadequate or inaccurate, will there be a process by  
4           which that point can be made and then the document  
5           corrected, improved, or expanded, according to the  
6           comments that you receive or is the document final  
7           and that's it?

8                       MR. LARRY HARTMAN: We would provide a  
9           document called a comparative environmental  
10          analysis. That would be introduced in the hearing  
11          as an exhibit. You're free to do with that exhibit  
12          as you choose, whether you want to support it,  
13          criticize it, shred it, you know, that's up to you.

14                      MR. WILLIS MATTISON: My point is not  
15          what I do with it.

16                      MR. LARRY HARTMAN: No, I do --

17                      MR. WILLIS MATTISON: I want to  
18          comment -- I want to know what the state regulatory  
19          agencies will do if it is found by substantial  
20          comments by professional reviewers, it would be more  
21          than myself, of course, that it is totally  
22          inadequate or substantially inadequate, will it, in  
23          fact, be redone, or is it a fixed document that --

24                      MR. LARRY HARTMAN: Well, corrections  
25          could be made, they could be done on the record

1           during the proceeding or they could be made prior to  
2           the close of the record.

3                       MR. MICHAEL KALUZNIAK:  Also, if I could  
4           add something.  When you use the word adequacy, that  
5           has a very particular meaning, as you're aware,  
6           within the context of an environmental review.  
7           Adequacy determinations are a very particular,  
8           specific decision-making terms as a matter of law  
9           and there is not an adequacy determination per se  
10          provided within the rules.

11                     MR. WILLIS MATTISON:  So if that's the  
12          case, any environmental assessment will be adequate?

13                     MR. MICHAEL KALUZNIAK:  There is no  
14          adequacy determination so there is neither a  
15          determination up or down.

16                     MR. WILLIS MATTISON:  That's more or  
17          less -- you're saying, in other words, what I'm  
18          saying.  If you don't know where you're going, any  
19          road will get you there.

20                     MR. MICHAEL KALUZNIAK:  If you feel that  
21          way you can feel that way.  However, if there are,  
22          as Larry pointed out, information within the  
23          document that's inaccurate, we certainly want to  
24          know about it.  And the administrative law judge has  
25          the authority to document that and make

1           recommendations based on that.

2                   MR. WILLIS MATTISON: And there's no  
3           provision for appeal unless you go to court, I  
4           assume?

5                   MR. MICHAEL KALUZNIAK: There are several  
6           areas of appeal. All Commission decisions are  
7           subject to reconsideration under our rules. Then  
8           there are -- prior to that time, actually, the  
9           administrative law judge report itself is subject to  
10          objections by parties, parties may file objections.

11                  MR. WILLIS MATTISON: You would have to  
12          be a party to do that?

13                  MR. MICHAEL KALUZNIAK: That's correct.  
14          And there can be replies to those and all of those  
15          are forwarded to the Commission. At that point the  
16          public record is closed and those things must be  
17          based on items introduced into the record prior to  
18          that time. Those are things I take back to the  
19          Commission and we decide on. After the Commission  
20          makes its decision, as I mentioned, there's a  
21          reconsideration process as well for any Commission  
22          items that people feel have been done in error. And  
23          generally there's a process described in doing that.  
24          If they do not prevail at that point their next  
25          choice would be to appeal to district court.

1 MR. WILLIS MATTISON: District court  
2 appeal, then, okay. Excuse me, I'm taking notes  
3 because my memory is short.

4 MR. LARRY HARTMAN: I believe that if  
5 you're appealing a Commission decision, it might go  
6 to the appellate court first and bypass the district  
7 court, as I recall the procedure on that. I don't  
8 follow the litigation side of things closely, but  
9 that's my understanding.

10 MR. WILLIS MATTISON: Okay.

11 MR. LARRY HARTMAN: Again, to the point  
12 Mike made, you can appeal the Commission decision.  
13 There's always, you know, objections to the ALJ's  
14 findings. If people want to proceed, you can  
15 certainly participate as a member of the public. If  
16 you want a more formal standing you can intervene as  
17 a party, which means you're probably represented by  
18 legal counsel. If you intervene as a party, then  
19 you're guaranteed the right of oral argument for the  
20 Commission. A lot of people may know this, I'm just  
21 pointing that out for their benefit.

22 MR. WILLIS MATTISON: Sure.

23 MR. LARRY HARTMAN: I won't go beyond  
24 that. If people have questions I'll certainly talk  
25 to them after the fact about that. But the intent

1 is to develop a complete record. You know, there  
2 will be additional exhibits introduced by the  
3 company. Parties, and we do have two other parties  
4 at this point in time. Kennecott Copper has  
5 intervened because it crosses -- the proposed line  
6 crosses some lands they have an interest in in  
7 Carlton County, and some organic farmers in Carlton  
8 County have also intervened as parties.

9 As I mentioned in the meeting in  
10 Crookston on Monday night, a prehearing conference  
11 is being held Monday morning, March 17th, and I  
12 don't know where that's being held at. There will  
13 be an order coming out after the prehearing  
14 conference.

15 MR. WILLIS MATTISON: Excuse me, Larry.  
16 I know you want to give the audience a lot more  
17 information, but would you do that after I've  
18 finished my questions?

19 MR. LARRY HARTMAN: Sorry.

20 MR. WILLIS MATTISON: I'd appreciate  
21 that.

22 MR. LARRY HARTMAN: Sure.

23 MR. WILLIS MATTISON: Suffice it to say  
24 that if I understand the environmental review  
25 process, one could go on with a very formidable and

1 foreboding process for anyone to ask for  
2 improvements, revisions, or changes unless there are  
3 glaring errors that are pointed out. That appears  
4 to be an extreme weakness of the environmental  
5 review process you offer Enbridge as it goes through  
6 Minnesota.

7 Moving on to other questions. It came up  
8 at the public county board meeting today just  
9 exactly how many pipelines are in the right-of-way.  
10 I know there's Minnesota MinnCan as it crosses  
11 Highway 34 just west of Park Rapids. Is there  
12 anyone who knows just how many pipelines, or  
13 maybe -- it may be subject to looping, but the local  
14 landowners seemed to think there were four and that  
15 came as a surprise to the county board and to  
16 others. Does anyone know at that point how many  
17 pipelines are there and who owns them?

18 MR. LARRY HARTMAN: I can probably answer  
19 that question as well as anyone. Minnesota  
20 Pipeline, for a number of years, has had two  
21 parallel 16-inch pipelines that start at the  
22 terminal here and they end at the Flint Hills  
23 Resources refinery down in Rosemount. They've done  
24 loops on the 16-inch line to the point -- well,  
25 originally they had the one line they did loop so



1       they actually operate as two separate main lines.  
2       Then I think there's another section that still has  
3       loops in it.

4               And then they also, through the MinnCan  
5       Pipeline Company, which is Minnesota Pipeline built  
6       the MinnCan project back in 2006, which if I  
7       remember correctly was a 24-inch pipeline. So in  
8       the Park Rapids area there are a minimum of three,  
9       probably a maximum of four crude oil petroleum  
10      pipelines. There are also some other pipelines in  
11      the Park Rapids area that deliver natural gas that  
12      come up from the south.

13              MR. WILLIS MATTISON: That was the  
14      question, okay.

15              It would be my strong request that, given  
16      the amount of greenfield involved in this particular  
17      route for the pipeline, that if the PUC or  
18      Department of Commerce have the option to do so,  
19      that a full environmental impact statement be  
20      prepared because of the potential impacts on  
21      sensitive resources that have not been vetted by a  
22      possible release of the crude oil of the type that's  
23      being transported in this line.

24              So I just want to go on the record that  
25      both myself and for the organization Friends of the

1       Headwaters, we would strongly advocate for any  
2       option that you have to do a full environmental  
3       impact statement that would allow for the  
4       preparation of drafts and then a final based on  
5       comment and then a determination of adequacy or not,  
6       without the formidable and foreboding appeal process  
7       that you just described on the record. So that  
8       doesn't require a comment, it's just a request by me  
9       and by our organization.

10               I believe that concludes my questions and  
11       comments at this -- oh, I'm sorry, I have one  
12       request.

13               At Crookston yesterday I raised the issue  
14       of the handicap that our organization is  
15       experiencing in attempting to provide alternative  
16       routes as is proposed in the process you described.  
17       I had not seen before last night, and I studied with  
18       some detail last night all of the -- the recommended  
19       and even required provisions of information that you  
20       are asking of us if we propose any alternative  
21       routes, such things as human settlement, population  
22       density, planned future land use, natural  
23       environment, public and designated lands, natural  
24       areas, wildlife habitat, water, recreational lands,  
25       historical, archaeological and cultural significant

1        locations, agriculture, commercial, industrial,  
2        forestry, mining, natural resource features, and so  
3        on and so on. All of that information is readily  
4        available to us, most of it in the Minnesota Data  
5        Deli system in GIS. It is virtually unusable to us  
6        unless we have access to the geographic  
7        information's shapefile that Enbridge has prepared  
8        and I believe submitted to you under sworn secrecy.

9                At the hearing in Crookston, John, I'm  
10       sorry, I forgot your last name, indicated that to  
11       release that for us for use in preparing and  
12       analyzing alternatives would be a violation of a  
13       federal law. Could you cite the specific law that  
14       you would have violated had you granted my request?

15               MR. JOHN GASELE: I think there's two  
16       answers to that. First of all, I don't have the  
17       specific statutes at the tips of my fingers. It's  
18       called Critical Energy Infrastructure Information,  
19       it was put in after the 911 events.

20               MR. WILLIS MATTISON: I'm sorry. You  
21       used a phrase there, I didn't understand, could you  
22       speak louder?

23               MR. JOHN GASELE: It's Critical Energy  
24       Infrastructure Information. It was a decision by  
25       the federal government to classify certain

1 information as requiring protection about the  
2 nation's energy infrastructure for actual projects.  
3 As I indicated previously, we can't release that to  
4 you.

5 And I know your concern is with how you  
6 will use that information to prepare your route  
7 alternatives. But let's be clear, that information  
8 isn't needed to prepare a route alternative. What  
9 you need to do to prepare a route alternative is to  
10 give information that you know about your route  
11 alternative, which would not be in our shapefiles.  
12 By definition, if you're proposing an alternative,  
13 you're not going to use the data on where the route  
14 is, you know, just to present that as an  
15 alternative.

16 I guess what I'm saying is you don't need  
17 the shapefiles of that to propose a route  
18 alternative. Anybody can take one of the maps  
19 that's back at the table there, put a line on it,  
20 put the information on it that you know about the  
21 alternative that you're proposing. It's just about  
22 the alternative you're proposing, you're not  
23 required to compare it to the company's proposal  
24 when you submit an alternative proposal.

25 The document that Larry has described,

1 the comparative environmental analysis, that is what  
2 Larry's group and the third party contract that they  
3 intend to hire will do in comparing your proposal to  
4 what the company has proposed. So that the  
5 company's data, the shapefile, isn't necessary to  
6 prepare an alternative route proposal.

7 MR. WILLIS MATTISON: Well, now I'm  
8 confused, because you now directly contradicted what  
9 Larry said in Crookston last night and alluded to in  
10 my presentation tonight. And specifically what they  
11 said was if we had an alternative to propose, we  
12 were to specifically tell them why it was better. I  
13 can't possibly do that if I don't know the  
14 characteristics of your line with which I am  
15 comparing them. So now can you tell me which of you  
16 two --

17 MR. LARRY HARTMAN: Let me try to clarify  
18 something.

19 MR. WILLIS MATTISON: Okay.

20 MR. LARRY HARTMAN: First of all, there's  
21 a list of criteria there that I've listed. Those  
22 are all the criteria the Commission has to consider.  
23 If you want to propose something, a lot of those may  
24 not even be applicable. It's not a requirement that  
25 you address every one of those. If I've got 160

1        acres and it's a hayfield, and all I'm concerned  
2        about is the potential impact of my hayfield, or if  
3        I've got blueberries or cranberries or something  
4        else, just tell us what you know about it. And if  
5        you don't know things about the archeology, fine,  
6        that's going to come out in the other work that's  
7        done. Just tell us why you think it might be a  
8        better alternative.

9                        Now, if you have access to a computer and  
10       you go to the DNR Deli and pull down information and  
11       say I'm proposing this because it crosses less of  
12       this, I feel the impact on this particular thing is  
13       less than it is on -- less than it is compared to  
14       what they've proposed --

15                      MR. WILLIS MATTISON: That's my point.

16                      MR. LARRY HARTMAN: That's all you have  
17       to do. You don't have to compare it to theirs.  
18       Just tell us why you're proposing it and the reasons  
19       you are recommending that route.

20                      MR. WILLIS MATTISON: It totally baffles  
21       me as to why you would ask me to suggest a route  
22       which might be worse.

23                      MR. LARRY HARTMAN: Well, everybody seems  
24       to think or has the suggestion that whatever  
25       Enbridge is proposing is not the right place. Well,

1       if the project is going to be built it has to go  
2       someplace. Now, obviously, you might disagree with  
3       what they've proposed. You can propose something.  
4       If you think it's better, that's the opportunity you  
5       have. If you think it's better, we're just asking  
6       you to tell us why you think it's better.

7               MR. WILLIS MATTISON: You're making my  
8       point for me. Thank you. I can't say if it's  
9       better unless I know what theirs is.

10              MR. LARRY HARTMAN: Well, in terms of  
11       what they cross or what they impact, a lot of that  
12       is addressed in their application. So why do you  
13       need a shapefile to compare what you're proposing to  
14       what they're proposing? What's going to make you  
15       think yours is better based on the information you  
16       have or the information you don't have?

17              Now, granted, some people might just be  
18       concerned about their property. We had three people  
19       the other night, the LaPlantes, who are concerned  
20       about Sections 8, 9 and 10 in Fisher Township, that  
21       was their concern. That's fine. Your concern might  
22       go to a larger element, the entire route, maybe the  
23       route in two or three counties. Okay, fine. There  
24       is -- people have the opportunity to participate or  
25       be involved at different levels. Some people may be

1 an advocate for no route, other people say I don't  
2 really care if it crosses my land, I prefer to see  
3 it here.

4 MR. WILLIS MATTISON: You're using  
5 hypothetical situations that don't get to my point.

6 MR. LARRY HARTMAN: Yours are also  
7 hypothetical in the fact that why would you want to  
8 do a comparison between what you're proposing and  
9 that what's going to make you think it's better?  
10 Why?

11 MR. WILLIS MATTISON: In order to know  
12 whether my proposal has any merit. It seems  
13 ludicrous for me to suggest an alternate route that  
14 is worse than the one they already have unless I  
15 could do side-by-side comparisons. Certainly, I  
16 must believe my integrity, that I would want to  
17 suggest something that is better in terms of less  
18 impacts on wetlands, lower impact or potential for  
19 groundwater if there are leaks, less impacts on  
20 cultural and archaeological sites all the way along  
21 the line. I want to improve on that if I can. I  
22 don't know if I'm improving unless I know exactly  
23 what impacts they're having. And the digital  
24 process makes that job enormously easier. I only  
25 have until April 4th, correct?



1 MR. LARRY HARTMAN: Yes.

2 MR. WILLIS MATTISON: I'm a David,  
3 they're a Goliath. Give me a break here. Okay?  
4 Thank you.

5 MR. LARRY HARTMAN: Thank you. Does  
6 anyone else have any questions?

7 It's 9:00, the meeting is scheduled to  
8 end at 9:00 tonight. I know some people have travel  
9 plans, so, Michael, how about one question, make it  
10 short and something you haven't asked before. Is  
11 that fair?

12 MR. MICHAEL DAHL: No.

13 MR. LARRY HARTMAN: Well, you're going to  
14 be here all next week, too.

15 MR. MICHAEL DAHL: Again, hello again,  
16 Giikwekii Gabo, Michael Dahl, I'm a resident of  
17 White Earth Reservation.

18 Again, understanding that these are  
19 information things, that that's the general purpose,  
20 is questions and to get an understanding. One  
21 quick, you know, response. What is the difference  
22 between an EIS and the other acronym that you're  
23 using?

24 MR. LARRY HARTMAN: Comparative  
25 environmental analysis.

1 MR. MICHAEL DAHL: The CER --

2 MR. LARRY HARTMAN: Comparative  
3 environmental analysis.

4 MR. MICHAEL DAHL: So the CEA.

5 MR. LARRY HARTMAN: Well, whatever you  
6 want to call it.

7 MR. MICHAEL DAHL: I'm asking you.

8 MR. LARRY HARTMAN: That's what we call  
9 it in the rules.

10 MR. MICHAEL DAHL: What's the difference  
11 between the two?

12 MR. LARRY HARTMAN: Probably not that  
13 much. The elements of environmental review are  
14 incorporated. There is a difference between a draft  
15 and a final. Now, for pipelines, for example.  
16 Interstate natural gas pipelines are reviewed by the  
17 Federal Energy Regulatory Commission.

18 MR. MICHAEL DAHL: I'm sorry, Larry,  
19 'cause we both want to get done, I know we're both  
20 tired, okay. Just simple. What gives more  
21 information, what takes more information, more  
22 things into consideration? Is that the separation  
23 between an EIS and a CEA? Is it the information  
24 within the two or is it who does it?

25 MR. LARRY HARTMAN: I'll give you an

1       example. One of the consultants I've worked with in  
2       the past on a previous pipeline project did a lot of  
3       work with the Federal Energy Regulatory Commission.  
4       They do the permitting on natural gas pipelines. I  
5       had asked him, basically based on his perspective  
6       and his experience where he does a lot of EIS work  
7       for federal agencies, or FERC in this particular  
8       case, what the difference was. And he said  
9       basically it's about 95 percent the same  
10      information. Our process provided more flexibility,  
11      more public input, and an ability to see route  
12      changes made in the permitting process versus a FERC  
13      regulatory process. He thought that our process was  
14      more useful for the public, for those who wanted to  
15      participate. Now, again, that was from his point of  
16      view.

17                Again, we'd like to think that the  
18      information level is going to be equivalent or  
19      pretty close the same, as to whether they're exact  
20      or identical, that's in the eyes of the beholder.

21                MR. MICHAEL DAHL: Okay. All right.  
22      Thank you. I'm still confused, but --

23                MR. LARRY HARTMAN: We can talk more  
24      about this off the record, maybe.

25                MR. MICHAEL DAHL: The reason I want to

1 ask these now is because a lot of times there's  
2 other people, if I'm confused, and having a little  
3 more experience than others and even mine is  
4 limited, imagine what Mr. Sasha back here, who is  
5 brand spanking new to this process, doesn't know  
6 anything. He may want to know these questions.  
7 That's why I ask these questions up front while  
8 others are listening. 'Cause I can get it on the  
9 phone, you know, you said we can talk on the phone  
10 and whatnot.

11 But now that being said, okay, the other  
12 lady here that lives in Leonard asked about  
13 regulations and violations. I don't think the  
14 question was answered. So I'm going to ask you  
15 guys, Enbridge, when there is a violation of, not  
16 even regulations, we'll say of recommendations on  
17 how the pipes and everything should be run and the  
18 standards, 'cause that's what I'm understanding, is  
19 that they're really just recommendations. Who do --  
20 what happens when somebody comes via another entity,  
21 meaning an environmental entity, another law group,  
22 if they come and say Enbridge, North Dakota  
23 Pipeline, whoever the hell it is now, you're in  
24 violation of this code, who do you guys answer to?  
25 And what happens with that?

1                   MR. JOHN GASELE: I can tell you in broad  
2 terms how complaints are handled. The pipeline  
3 routing permit has conditions. One of those  
4 conditions is typically compliance with all other  
5 permits that are issued. If a complaint comes into  
6 the company or to the Department of Commerce or to  
7 the Public Utilities Commission, it's either  
8 resolved through a process attached to the pipeline  
9 routing permit.

10                   If it is not resolved there it goes to  
11 the Public Utilities Commission, which under its  
12 rules have various enforcement options. If it's a  
13 complaint that relates to the jurisdiction of  
14 another agency, that agency will handle the  
15 complaint. That will typically involve any other  
16 regulatory agency that it feels is necessary.

17                   I think the point that was made earlier,  
18 and I may be paraphrasing it incorrectly, if it's a  
19 violation of a DNR issue, the DNR will handle it.  
20 The PUC can't step into the DNR shoes and handle DNR  
21 issues.

22                   MR. MICHAEL DAHL: I'm not asking them,  
23 they're the permit issuer, that's all they are.  
24 Once the permit is issued they've made it clear that  
25 their hands are washed of it all. When the permit

1 is done then it's up to the rest of us --

2 MR. JOHN GASELE: They maintain ongoing  
3 jurisdiction over time until construction is  
4 completed and they've released their jurisdiction,  
5 it's a very specific process for the jurisdiction.  
6 It doesn't just end the second the permit is issued.

7 MR. MICHAEL DAHL: That still doesn't  
8 answer the question. Okay. Well, here's an  
9 example, give us another example on what happened  
10 just a couple years ago in Cass Lake. What were the  
11 ramifications of that leak and the incident? And  
12 other leaks. We can go back to Pinewood. What are  
13 the ramifications to the company if when there is a  
14 leak, when oil ends up in the ground, what are the  
15 ramifications? Like the lady said, if I get a  
16 speeding ticket I have to pay a fine or go to jail  
17 or lose my license, there's a number of options on  
18 what my punishment is, so to say. That's what I'm  
19 curious about. What happens? What happens to the  
20 company? Where is the integrity and where is the  
21 responsibility and where is the attempt to make  
22 things right? 'Cause now I'm really -- I'm  
23 really -- this is all passion and concern and fear  
24 for me and now it's just turning into primarily  
25 frustration. The inability to answer the questions

1 directly, refer to the comments, refer to the  
2 writings, refer to this, refer to this, refer to  
3 this.

4 If you ask me a question about rice I  
5 will answer you. I won't refer you to the studies.  
6 Well, wait a minute, you guys don't have any studies  
7 on our rice. So what happens when there's a  
8 violation of the recommendations put forth? What  
9 happens to Enbridge?

10 MR. JOHN GASELE: Are you speaking of a  
11 permit, a routing permit?

12 MR. MICHAEL DAHL: No. When the oil that  
13 you're transporting, well, not even yours, you know,  
14 'cause I understand you're an outside lawyer  
15 advising on the permit process, so this really isn't  
16 even for you, this is for you guys. When a pipe has  
17 a leak and oil ends up in the ground, in the water,  
18 what happens? What are your -- what are your  
19 punishments? You know, who paddles your ass?

20 MR. JOHN GASELE: That's a legal  
21 question, and that's all subject to whatever  
22 regulatory agency has control over that particular  
23 issue.

24 MR. MICHAEL DAHL: Who is that?

25 MR. JOHN GASELE: It could be the

1 Pipeline Hazardous Materials Safety Administration,  
2 it could be the EPA.

3 MR. MICHAEL DAHL: Who was it when the  
4 oil spilled in Pinewood? Who was it when the oil  
5 spilled in Cass Lake? I need to know these things  
6 because it's going to affect, you know, the routing  
7 of coming through where you're coming through. If  
8 that are the same people, are those going to be the  
9 same people that we need to be asking, hey, what are  
10 your regulations, we need to know who all the other  
11 entities involved are.

12 MR. JOHN GASELE: Right now that would be  
13 the MPCA, the Minnesota Pollution Control Agency.  
14 So, I mean, it's difficult to say which agency would  
15 be in charge in a hypothetical --

16 MR. MICHAEL DAHL: I'm not asking a  
17 hypothetical situation, I asked who was it on  
18 previous spills.

19 MR. JOHN GASELE: Off the top of my head  
20 I can't tell you. I hate to go back to the same  
21 answer. The application is very large. I'm not  
22 saying look at the application to avoid a question.

23 MR. MICHAEL DAHL: No, 'cause you said  
24 that to everybody else.

25 MR. JOHN GASELE: Well, frankly, there is



1 a lot of detailed information in there and it's too  
2 much for anybody to speak of off the top of their  
3 head. There's a great deal of information in there  
4 and a great deal of information for you to look at.

5 MR. MICHAEL DAHL: It's too much for you  
6 guys and this is your profession? Do you see the  
7 irony? I'm asking you guys, do you see the irony?

8 MR. JOHN GASELE: We want to make sure  
9 you have the right information.

10 MR. MICHAEL DAHL: Can I get a hard copy  
11 of these documents right now, the ones that you have  
12 available tonight? Because I know you guys have a  
13 whole team of people who can make copies for the  
14 Park Rapids meeting. Can I have those ones?

15 MR. MARK CURWIN: Michael, just to try to  
16 bring a little clarity to it. When a pipeline is in  
17 operation, an interstate pipeline, our regulator,  
18 our chief regulator is a federal agency that is part  
19 of the Department of Transportation. That's the  
20 Pipeline Hazardous Materials Safety Administration,  
21 the acronym is PHMSA. So if we do something wrong,  
22 that's who we account to with respect to operating  
23 the pipeline.

24 If we do something wrong and it causes  
25 some environmental damage, then we would work with,

1 as John said, whichever regulatory body has  
2 jurisdiction for that. It could be something like  
3 the MPCA, it could be the EPA. We could end up in  
4 front of the United States Department of Justice.  
5 We work with whichever regulator has been given the  
6 authority to enforce whatever laws are involved with  
7 that incident.

8 MR. MICHAEL DAHL: Okay. Little bit  
9 closer. Little bit closer.

10 MR. MARK CURWIN: That's as close as I  
11 can get because it depends on where you are and what  
12 happens.

13 MR. MICHAEL DAHL: What was the -- yeah,  
14 that is the other question, what was the  
15 ramifications from previous spills? Or leaks? I'm  
16 sorry.

17 MR. MARK CURWIN: I don't know.

18 MR. MICHAEL DAHL: Well, just give me an  
19 example. Was it monetary fines, was it shut down?

20 MR. MARK CURWIN: It can be --

21 MR. MICHAEL DAHL: No. Can be. You  
22 know, you have experience with this.

23 MR. MARK CURWIN: If you want me to  
24 answer you have to stop talking.

25 MR. MICHAEL DAHL: Then answer what

1	was - -
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2 MR. MARK CURWIN: In some cases it can be  
3 a fine. Sometimes it isn't a fine. In some cases  
4 it can be conditions on how the pipe is operated  
5 once it gets back into service. Those are examples  
6 of the type of enforcement authority those agencies  
7 have.

8 MR. LARRY HARTMAN: Michael, if I could  
9 elaborate a little bit. For example --

10 MR. MICHAEL DAHL: Oh, yes.

11 MR. LARRY HARTMAN: I know a year ago on  
12 the Minnesota Pipeline system, they had a leak down  
13 by Little Falls area, and I believe after that they  
14 were ordered to repair it. There may have been a  
15 fine on it, I don't know. But I think the Office of  
16 Pipeline Safety also imposed a reduced operating  
17 pressure on the system, which reduced crude oil  
18 delivered by that system to the refineries in  
19 Rosemount and Cottage Grove.

20 MR. MICHAEL DAHL: Okay. Again, I have a  
21 little bit more understanding of more than I did  
22 yesterday. You know, and I do appreciate that.  
23 Again, moving forward, you guys know I'm going to  
24 have more questions.

25 The big thing, again, last night I asked

1       for transparency. Transparency. Be up front with  
2       us. Because we are coming up here up front with  
3       you. We are coming up here up front with you. We  
4       are the people, you are a company, but that's not  
5       what we see. And that's where we're getting, you  
6       know, I'm not feeling good, I'm not seeing it.  
7       You're not answering our questions a lot of times.  
8       A lot of the questions come up here, the questions  
9       aren't being answered.

10               Barry, you're doing a good job, I'll give  
11       you that, you are answering questions. Sara, you're  
12       doing a wonderful job answering environmental  
13       questions. But other questions, being referred to  
14       these documents, being referred to these documents,  
15       being referred to these documents. Some of the  
16       people in our areas here, especially in northern  
17       Minnesota, we don't have access. I do, I do have  
18       access to the Internet and the computer. And  
19       because of my job I have access to a printer. But  
20       nine out of ten people in this area don't have that.  
21       Laying a document in the library? Honestly, when is  
22       the last time any of you guys were in a library?  
23       Who goes to the library anymore? Let's think about  
24       the necessity of libraries anymore and where that's  
25       utilized anymore. A recommendation from me is have

1 a few extra copies. Have a few extra copies of  
2 these documents that are in the libraries. Because  
3 up until yesterday, I didn't know that's where they  
4 were. And are they in our libraries? I don't know.  
5 So I'm asking now, because you guys will have the  
6 ability to print out a new one by Park Rapids, then  
7 maybe when it comes to Park Rapids I don't have to  
8 ask any questions because I'll be able to read it in  
9 detail by sitting down versus getting my eyes all  
10 blurry from reading it on my screen.

11 MR. LARRY HARTMAN: Michael, I have a  
12 question. Did you read the notice?

13 MR. MICHAEL DAHL: Which notice?

14 MR. LARRY HARTMAN: The public meeting  
15 notice?

16 MR. MICHAEL DAHL: This?

17 MR. LARRY HARTMAN: These meetings, yes.

18 MR. MICHAEL DAHL: Yeah. The 40 some  
19 pages?

20 MR. LARRY HARTMAN: The notice?

21 MR. MICHAEL DAHL: I have this.

22 MR. LARRY HARTMAN: Well, I know, but the  
23 notice was published in all the newspapers and  
24 mailed to all the landowners.

25 MR. MICHAEL DAHL: It wasn't in our

1 newspapers.

2 MR. LARRY HARTMAN: Well, it was  
3 published in about 30-some different newspapers.

4 MR. MICHAEL DAHL: But it was not  
5 published in the Mahnommen County newspaper or in the  
6 Detroit Lakes paper.

7 MR. LARRY HARTMAN: It was also available  
8 online and contains a list of all the libraries --

9 MR. MICHAEL DAHL: Again, I am privileged  
10 for our area. For these areas I am privileged.  
11 Okay. But, no, my neighbor, Ms. Walker, she didn't  
12 see it in the paper. She heard it from me because I  
13 have access to the Internet. So that's why I'm  
14 asking, you know. I mean, don't be condescending  
15 like that. Did you see it? Of course I saw it or I  
16 wouldn't have been here.

17 So can I have a copy? Or can I talk to  
18 one of you guys later? Can I have a copy?

19 MR. MARK CURWIN: Just talk to us later.

20 MR. MICHAEL DAHL: All right. Thanks  
21 again, guys, we'll see you next week. Travel safe.

22 MR. LARRY HARTMAN: And with that I  
23 believe the meeting will draw to a conclusion.

24 MR. PAUL STOLEN: Just one point.

25 MR. LARRY HARTMAN: Please make them

1           quick, and Janet will stop in four minutes.

2                       MR. PAUL STOLEN:   Okay, it will be less  
3           than that.   I just wanted to request of John, if you  
4           would send me the specific cite on the law of the  
5           environmental analysis, if you can get that to me,  
6           please, I'll give you a place you can send it.   Is  
7           that okay?

8                       And then for the record I wanted it to be  
9           known that I was not allowed to exercise my  
10          constitutional rights for freedom of speech by  
11          preparing and displaying information I had in the  
12          meeting place, that I was designated in the hall.  
13          And I want it to show on the record that my  
14          constitutional rights, freedom of speech, was  
15          violated, in my opinion, and I plan to appeal that.

16                      Thank you.

17                      MR. LARRY HARTMAN:   Thank you for  
18          attending.

19                      (Meeting concluded at 9:17 p.m.)  
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